

This Listing Statement is compiled by the Exchange from documents filed by the Company in making application for listing. It is issued for the information of members, member firms and member corporations of the Exchange. It is not and is not to be construed as a prospectus. The Exchange has received no consideration in connection with the issue of this Listing Statement other than the customary listing fee. The documents referred to above are open for inspection at the general office of the Exchange.

LISTING STATEMENT NO. 2411.

LISTED DECEMBER 16, 1969.

10,000,000 shares without par value.

Stock Symbol "BMR".

Post Section 5.1.

Dial Quotation No. 2325.

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

BRAMEDA RESOURCES LIMITED

Incorporated under the laws of British Columbia

1. Address of the Company's Head Office and of any other offices:

Head Office and Principal Office: 1177 West Hastings Street, Vancouver, British Columbia.

Registered Office: 901-900 West Hastings Street, Vancouver, British Columbia.

2. Officers of the Company:

<u>Office Held</u>	<u>Name</u>	<u>Address</u>	<u>Occupation</u>
Chairman of the Board	Bernard Orlande Brynelsen	1962 Knox Road Vancouver, British Columbia	Executive
President	Mervin Edward Davis	597 Hadden Drive West Vancouver British Columbia	Executive
Senior Vice-President	Jacob Austin	2664 Edgar Crescent Vancouver, British Columbia	Executive
Vice-President, Exploration	Morris McCallum Menzies	5585 McMaster Road Vancouver, British Columbia	Executive
Executive Vice-President, Chief Financial Officer	John Robert Croll	3984 Bayridge Avenue West Vancouver British Columbia	Executive
Vice-President, Mining	Louis Philip Starck	3958 Bayridge Court West Vancouver British Columbia	Executive
Vice-President and Secretary	David Ross Fitzpatrick	1562 Wesbrook Crescent Vancouver, British Columbia	Executive
Treasurer	Robert James Cobb	4963 Connaught Drive Vancouver, British Columbia	Chartered Accountant

3. Directors of the Company:

<u>Name</u>	<u>Address</u>	<u>Occupation</u>
Bernard Orlande Brynelsen	1962 Knox Road, Vancouver, British Columbia	Executive
Mervin Edward Davis	597 Hadden Drive, West Vancouver, British Columbia	Executive
Jacob Austin	2664 Edgar Crescent, Vancouver, British Columbia	Executive
Morris McCallum Menzies	5585 McMaster Road, Vancouver, British Columbia	Executive
John Robert Croll	3984 Bayridge Avenue, West Vancouver, British Columbia	Executive
Louis Philip Starck	3958 Bayridge Court, West Vancouver, British Columbia	Executive
Robert Graham Annable	735 King George's Way, West Vancouver, British Columbia	Executive
Latham Cawthra Burns	330 Spadina Road, Toronto, Ontario	Executive
John Addison McLallen	1678 Somerset Crescent, Vancouver, British Columbia	Executive
Vernon Taylor Jr.	6900 W. Lakeridge Road, Denver, Colorado, U.S.A.	Executive
Frank Welters	5454 Balsam Street, Vancouver, British Columbia	Executive

4. Names and addresses of all transfer agents:

Canada Permanent Trust Company at its principal offices in Toronto, 320 Bay Street; Montréal, 600 Dorchester Boulevard West; Vancouver, 455 Granville Street; Calgary, 315-8th Avenue S.W.; and Halifax, 1646 Barrington Street.

5. Particulars of any fee charged upon transfer other than customary government taxes:
50¢ for each new share certificate.

6. Names and addresses of all registrars:

Canada Permanent Trust Company at its principal offices in Toronto, 320 Bay Street; Montréal, 600 Dorchester Boulevard West; Vancouver, 455 Granville Street; Calgary, 315-8th Avenue S.W.; and Halifax, 1646 Barrington Street.

7. Amount of authorized capital: }
8. Number of shares and par value: } 10,000,000 common shares without nominal or par value.

9. Full details of all shares issued in payment for properties or for any other assets other than cash:

<u>Number of Shares</u>	<u>Brief description of the properties or other assets and the aggregate consideration therefor, expressed in cash, shares, etc.</u>
1,400,000	Consideration for the assets less liabilities of Magnum Consolidated Mining Co. Ltd. (N.P.L.).
105,000	Partial consideration for the shares of Chapman, Wood & Griswold Ltd.
70,000	Partial consideration for 300,000 shares of Churchill Copper Corporation Ltd.
215,178	Consideration for 215,178 shares of Giant Mascot Mines Ltd.
70,000	Consideration for shares in certain exploration companies.
105,000	Consideration for 25% of the shares of Ancore International Ltd.
Total	<u>1,965,178</u>

For further particulars relating to the issue of the shares listed above see the prospectus issued by the Company under date of September 4, 1969, a copy of which is annexed hereto and incorporated as part of this application, at pages 4 and 5 under the heading "Formation of the Company"; pages 5 to 14 inclusive under the heading "Business of the Company"; pages 16 and 17 under the heading "Prior Sales of Shares"; page 18 under the heading "Interest of Management and Others in Material Transactions"; and Notes 6 and 9 to the Consolidated Financial Statements of the Company at pages 27 to 30 inclusive of the prospectus.

10. Full details of all shares sold for cash:

<u>Date</u>	<u>No. of Shares</u>	<u>Price per Share</u>	<u>Amount realized by Company</u>
July 25, 1968	2,100,000	\$ 0.143	\$ 300,000
December 11, 1968	840,000	1.54	1,296,000
April 30, 1969	154,000	10.00	1,540,000
June 6, 1969	15,050	10.00	150,500
September 24, 1969	1,340,000	8.50	10,813,800
Total	<u>4,449,050</u>		<u>\$14,100,300</u>

In addition, share purchase agreements have been granted to key employees for 84,000 shares at a price of \$10.00 per share, payable 10% per annum commencing in 1969 with the balance payable in 1974.

Reference is also made to the annexed prospectus at pages 16 and 17 under the heading "Prior Sales of Shares"; page 17 under the heading "Employee Share Purchase Plan"; page 18 under the heading "Interest of Management and Others in Material Transactions", and notes 6 and 9 to the Consolidated Financial Statements of the Company at pages 27 to 30 inclusive of the prospectus.

11. Total number of shares issued: 6,498,228.

12. Number of shares now in treasury or otherwise unissued: 3,501,772.

13. Particulars of any issued shares held in trust for the Company or donated for treasury purposes: Nil.

14. Date of last annual meeting: June 30, 1969.

15. Date of last report to shareholders: None yet issued.

16. Details of any treasury shares (or shares issued subject to payment or shares held for the benefit of the treasury) now under option or the subject of any underwriting or sales agreement. If none, this to be stated.	See page 14 of the annexed prospectus under the heading "Underwriting"; and page 17 under the heading "Employee Share Purchase Plan". Reference is also made to sub-section 4 of Item 40.																																																												
17. Names and addresses of persons having any interest, direct or indirect, in underwritten or optioned shares or other securities or assignments, present or proposed.	Burns Bros. and Denton Limited Toronto Dominion Centre Toronto, Ontario Quintana Development Ltd. 500 Jefferson Building Houston, Texas																																																												
18. Details of any payments in cash or securities of the Company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	See pages 4 and 5 of the annexed prospectus under the heading "Formation of the Company"; page 18 under the heading "Interest of Management and Others in Material Transactions", and page 14 under the heading "Underwriting".																																																												
19. Details of any shares pooled, deposited in escrow, non-transferable or held under any voting trust agreement, syndicate agreement or control.	See page 17 of the annexed prospectus under the headings "Escrowed Shares", and "Employee Share Purchase Plan".																																																												
20. Names and addresses of owners of more than a 5% interest in pooled or escrowed shares and their shareholdings. (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	<div>Shares in escrow to be released only with the consent of the Alberta, British Columbia, Ontario, and Québec Securities Commissions.</div> <table><thead><tr><th></th><th>Escrowed Shares</th><th>Free Shares</th></tr></thead><tbody><tr><td>Bernard O. Brynelson 1962 Knox Road, Vancouver, British Columbia</td><td>280,000</td><td>105,555</td></tr><tr><td>Mervin E. Davis 597 Hadden Drive, West Vancouver British Columbia</td><td>280,000</td><td>103,455</td></tr><tr><td>Morris M. Menzies 5585 McMaster Road, Vancouver, British Columbia</td><td>280,000</td><td>104,154</td></tr><tr><td>Jacob Austin 2664 Edgar Crescent, Vancouver, British Columbia</td><td>280,000</td><td>103,454</td></tr><tr><td>Alfred E. Turton 450 Southborough, West Vancouver British Columbia</td><td>280,000</td><td>32,160</td></tr><tr><td>Gordon Ford c/o Lawrence L. Beason 3600 First National Bank Bulding Dallas, Texas, U.S.A.</td><td>280,000</td><td>Nil</td></tr><tr><td>Vernon Taylor, Jr. 1670 Denver Club Building, Denver, Colorado, U.S.A.</td><td>280,000</td><td>Nil</td></tr><tr><td>John T. Wanamaker 34 Prairie Drive, Beaconsfield, Québec</td><td>140,000</td><td>Nil</td></tr><tr><td>Ralph Hedlin P.O. Box 213, Toronto Dominion Centre, Toronto, Ontario</td><td>52,500</td><td>Nil</td></tr><tr><td>S. B. Slyn, in trust for M. E. Davis & Associates 7th Floor, 1177 West Hastings Street, Vancouver British Columbia</td><td>140,000</td><td>Nil</td></tr><tr><td>Honor Investments Ltd. 901-900 West Hastings Street, Vancouver British Columbia</td><td>315,000</td><td>Nil</td></tr><tr><td>Combined Capital Resources Limited 1177 West Hastings Street, Vancouver British Columbia</td><td>175,000</td><td>Nil</td></tr></tbody></table> <div>Shares in escrow pursuant to the Share Purchase Deferred Payment Plan for Employees.</div> <table><thead><tr><th></th><th>Escrowed Shares</th><th>Free Shares</th></tr></thead><tbody><tr><td>J. R. Croll 3984 Bayridge Avenue, West Vancouver British Columbia</td><td>19,600</td><td>15,000</td></tr><tr><td>L. P. Starck 3958 Bayridge Court, West Vancouver British Columbia</td><td>7,000</td><td>700</td></tr><tr><td>J. R. Billingsley 3157 West 33rd Avenue, Vancouver British Columbia</td><td>7,000</td><td>Nil</td></tr><tr><td>L. Trenholme 6746 Marquerite Street, Vancouver British Columbia</td><td>7,000</td><td>350</td></tr><tr><td>S. B. Slyn 4115 Ripple, West Vancouver, British Columbia</td><td>10,500</td><td>Nil</td></tr><tr><td>D. R. Fitzpatrick 1562 Wesbrook Crescent, Vancouver British Columbia</td><td>10,500</td><td>1,600</td></tr></tbody></table>		Escrowed Shares	Free Shares	Bernard O. Brynelson 1962 Knox Road, Vancouver, British Columbia	280,000	105,555	Mervin E. Davis 597 Hadden Drive, West Vancouver British Columbia	280,000	103,455	Morris M. Menzies 5585 McMaster Road, Vancouver, British Columbia	280,000	104,154	Jacob Austin 2664 Edgar Crescent, Vancouver, British Columbia	280,000	103,454	Alfred E. Turton 450 Southborough, West Vancouver British Columbia	280,000	32,160	Gordon Ford c/o Lawrence L. Beason 3600 First National Bank Bulding Dallas, Texas, U.S.A.	280,000	Nil	Vernon Taylor, Jr. 1670 Denver Club Building, Denver, Colorado, U.S.A.	280,000	Nil	John T. Wanamaker 34 Prairie Drive, Beaconsfield, Québec	140,000	Nil	Ralph Hedlin P.O. Box 213, Toronto Dominion Centre, Toronto, Ontario	52,500	Nil	S. B. Slyn, in trust for M. E. Davis & Associates 7th Floor, 1177 West Hastings Street, Vancouver British Columbia	140,000	Nil	Honor Investments Ltd. 901-900 West Hastings Street, Vancouver British Columbia	315,000	Nil	Combined Capital Resources Limited 1177 West Hastings Street, Vancouver British Columbia	175,000	Nil		Escrowed Shares	Free Shares	J. R. Croll 3984 Bayridge Avenue, West Vancouver British Columbia	19,600	15,000	L. P. Starck 3958 Bayridge Court, West Vancouver British Columbia	7,000	700	J. R. Billingsley 3157 West 33rd Avenue, Vancouver British Columbia	7,000	Nil	L. Trenholme 6746 Marquerite Street, Vancouver British Columbia	7,000	350	S. B. Slyn 4115 Ripple, West Vancouver, British Columbia	10,500	Nil	D. R. Fitzpatrick 1562 Wesbrook Crescent, Vancouver British Columbia	10,500	1,600
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<p>21. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.</p>	<p>See page 16 of the annexed prospectus under the heading "Principal Shareholders". For the number of escrowed shares owned by each of these shareholders see Item 20 above.</p>
<p>22. Names and addresses of persons whose shareholdings are large enough to materially affect control of the Company.</p>	<p>Magnum Consolidated Mining Co. Ltd. (N.P.L.) 1177 West Hastings Street Vancouver, British Columbia Reference is also made to page 16 of the annexed prospectus under the heading "Principal Shareholders".</p>
<p>23. Details of any registration with or approval or authority for sale granted by or any filing with a Securities Commission or corresponding Government body.</p>	<p>The annexed prospectus has been filed with the Securities Commissions of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, and Nova Scotia.</p>
<p>24. Has any application for registration with or approval or authority for sale by or any filing with a Securities Commission or corresponding Government body ever been refused, cancelled, suspended or revoked? If so, give particulars.</p>	<p>No.</p>
<p>25. Particulars of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.</p>	<p>See page 3 of the annexed prospectus under the heading "Capitalization".</p>
<p>26. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.</p>	<p>See Note 4 to the Consolidated Financial Statements of the Company at pages 26 and 27 of the annexed prospectus.</p>
<p>27. Enumerate fully each of the following property classifications, giving claim or property numbers, approximate acreage, townships and mining camp or oil field:</p> <p>(a) Properties owned where titles vested in Company.</p> <p>(b) Properties leased.</p> <p>(c) Properties otherwise held. Give particulars of title held by the Company in each instance (e.g. patented, unpatented, Crown granted, held under mining license, perpetual lease, etc.).</p>	<p>See pages 5 to 14 inclusive of the annexed prospectus under the heading "Business of the Company".</p>
<p>28. Full particulars of any royalties or other charges payable upon production from each individual property.</p>	<p>See pages 5 to 14 inclusive of the annexed prospectus under the heading "Business of the Company".</p>

29. Names and addresses of vendors of any property or other assets intended to be purchased by the Company showing the consideration to be paid.	See pages 5 to 14 inclusive of the annexed prospectus under the heading "Business of the Company".
30. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	See pages 5 to 14 inclusive of the annexed prospectus under the heading "Business of the Company".
31. Are any lawsuits pending or in process against the Company or any of its properties, or are there any other circumstances which might affect the Company's position or title adversely? If so explain fully.	No.
32. Describe plant and equipment on property or properties.	See pages 5 to 14 inclusive of the annexed prospectus under the heading "Business of the Company".
33. Describe all development accomplished and planned.	See pages 5 to 14 inclusive of the annexed prospectus under the heading "Business of the Company".
34. Date and author of mining or petroleum engineer's or geologist's report filed with this application and available for inspection on request.	See pages 5 to 14 inclusive of the annexed prospectus under the heading "Business of the Company".
35. Full particulars of production to date.	See pages 5 to 14 inclusive of the annexed prospectus under the heading "Business of the Company".
36. Have any dividends been paid? If so, give date, per share rate, and amount paid in dollars on each distribution.	No.
37. Name and address of the solicitor or attorney whose certificate that the applicant is a valid and subsisting company and that the shares which have been allotted and issued were legally created and are fully paid and non-assessable has been filed with the Exchange.	Messrs. Ainsworth, Henson, Norby, Purvis & Kendall 925 West Georgia Street Vancouver, British Columbia Messrs. Andrews, Swinton, Margach, Austin & William 900 West Hastings Street Vancouver, British Columbia
38. (a) Have any shares of the Company ever been listed on any other stock exchange? If so, give particulars. (b) Is any application for listing the shares of the Company on any other stock exchange now pending or contemplated? If so, give particulars. (c) Has any application for listing of any shares of the Company ever been refused or deferred by any stock exchange? If so, give particulars.	No. Application to list the common shares of the Company has also been made to the Montréal Stock Exchange and the Vancouver Stock Exchange. No.

39. Particulars of the principal business in which each officer and director has been engaged during the past five years, giving the length of time, position held and name of employing company or firm.	See pages 14 to 16 inclusive of the annexed prospectus under the heading "Directors and Officers".
40. The dates of and parties to and the general nature of every material contract entered into by the Company which is still in effect and is not disclosed in the foregoing.	See Rider 1 on page 8.
41. Any other material facts not disclosed in the foregoing.	See Rider 2 on page 9.

42. STATEMENT SHOWING DISTRIBUTION OF ISSUED CAPITAL

as of November 15, 1969

FREE STOCK	Shares
(a) Distributed and in the hands of the public (exclusive of the promoters, officers and directors of the Company and their agents or trustees).	2,899,590
(b) Distributed and in the hands of the promoters, officers and directors of the Company and their agents or trustees	574,638
Total free stock	3,474,228
ESCROWED OR POOLED STOCK	
(c) Held in escrow or pool as set out in Item 19 of this application	3,024,000
Total issued capital	6,498,228

RECORD OF SHAREHOLDERS

Number of registered shareholders holding shares in class (a) above	843
Number of registered shareholders holding shares in class (b) above	8
Number of registered shareholders holding shares in class (c) above	35

43. STATEMENT SHOWING NUMBER OF SHAREHOLDERS
AND
DISTRIBUTION OF COMMON STOCK AS OF NOVEMBER 15, 1969

Number		Shares
13	..... Holders of 1 — 24 share lots	202
90	..... " " 25 — 99 " "	4,928
288	..... " " 100 — 199 " "	30,044
128	..... " " 200 — 299 " "	26,345
77	..... " " 300 — 399 " "	24,451
23	..... " " 400 — 499 " "	9,440
95	..... " " 500 — 999 " "	55,920
164	..... " " 1000 — up " "	6,346,898
878	Shareholders	Total shares 6,498,228

Dated at Vancouver, the 21st day of November, 1969.

BRAMEDA RESOURCES LIMITED



"M. E. DAVIS",
President

"J. AUSTIN",
Senior Vice-President

This Prospectus constitutes a public offering of these securities only in the jurisdictions where they may be lawfully offered for sale.

New Issue



Brameda Resources Limited

(Incorporated under the laws of British Columbia)

1,340,000 Common Shares
(without nominal or par value)

Price: \$8.50 per share

The purposes of this issue are set forth under the heading “Use of Proceeds” on page 5. Reference is also made to the information set out under the heading “Business of the Company” on page 5.

There is no market for the shares of the Company and the price of this offering was determined by negotiation between the Company and the Underwriter.

THESE SECURITIES ARE SPECULATIVE. Reference is made to page 18 under “Speculative Nature of Securities”.

Application has been made to list the shares of the Company on the Toronto Stock Exchange, the Montreal Stock Exchange and the Vancouver Stock Exchange. Acceptance of the listing will be subject to the filing of required documents and evidence of satisfactory distribution, both within 90 days.

	Price to Public	Underwriting Discount	Proceeds to Company
Per Share	\$8.50	\$0.43	\$8.07
Total	\$11,390,000	\$576,200	\$10,813,800

- (1) In addition, the Underwriter has been granted an option exercisable on or before March 4, 1973, to purchase 130,000 common shares of the Company at a price of \$8.50 per share.
- (2) Before deducting expenses of issue estimated at \$75,000.

We, as principals, offer these shares, subject to prior sale, if, as and when issued by the Company and accepted by us, subject to the approval of all legal matters. Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

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The Company

Brameda Resources Limited (the "Company" or "Brameda") was incorporated as a private company under the laws of British Columbia by memorandum of association on February 27, 1968 under the name Thermochem Industries Limited. On July 25, 1968 the authorized share capital of the Company was changed to 5,000,000 shares without nominal or par value, on May 29, 1969 its name was changed to Brameda Resources Limited and on June 30, 1969 its shares were consolidated on the basis of 0.7 of a share for each issued and unissued share and its authorized capital was increased to 10,000,000 shares without nominal or par value. The Company was converted to a public company on August 4, 1969.

The head office and principal office of the Company is at 1177 West Hastings Street, Vancouver, British Columbia, and its registered office is at 901-900 West Hastings Street, Vancouver, British Columbia.

All dollar amounts referred to in this prospectus are Canadian dollars unless followed by "U.S." where reference is to United States dollars. The dollar figures in parenthesis following (or, in the case of the Capitalization table, set out under) United States dollar amounts indicate their Canadian dollar equivalent at the rate of \$1.00 U.S. equals \$1.075 Canadian, being the exchange rate reflected in the accompanying financial statements.

Capitalization

	<u>Authorized</u>	<u>Outstanding on April 30, 1969</u>	<u>Outstanding on June 10, 1969</u>	<u>Outstanding on completion of this financing(1)</u>
INDEBTEDNESS:				
Bank loans payable on demand (2).....			\$500,000 U.S. (\$537,500)	\$2,650,000
Mortgage due December 31, 1969.....	\$500,000 U.S. (\$537,500)	\$500,000 U.S. (\$537,500)	\$500,000 U.S. (\$537,500)	\$ 500,000 U.S. (\$537,500)
SHARE CAPITAL:				
Shares without nominal or par value(3).....	10,000,000 shares	3,094,000 shares (\$3,017,628)	3,368,050 shares (\$5,120,500)	6,498,228 shares (\$20,384,285)

NOTES

- (1) The figures under this heading reflect the transactions referred to in Notes 1, 6 and 9 (i) to the financial statements of the Company on page 22, including this financing.
- (2) The bank loans are secured as to \$2,000,000 by 142,858 shares of Churchill Copper Corporation Ltd. owned by the Company and by 369,000 shares of Churchill Copper Corporation Ltd. owned by Magnum Consolidated Mining Co. Ltd. (N.P.L.) and as to \$400,000 by 200,000 shares of Churchill Copper Corporation Ltd. and 45,000 shares of Ionarc Smelters Ltd.
- (3) The numbers of shares indicated are after giving effect to the changes in the authorized and issued capital of the Company referred to above under "The Company". 130,000 shares have been reserved for issue under an option granted to Burns Bros. and Denton Limited referred to under "Underwriting" on page 14.
- (4) Reference is made to Note 4 to the financial statements of Magnum Consolidated Mining Co. Ltd. (N.P.L.) on page 34 for information with respect to lease obligations.

The Founders

The founders of the Company are Bernard Orlande Brynelsen, Mervin Edward Davis, Morris McCallum Menzies and Jacob Austin who are herein collectively referred to as the "Group". By reason of founding the Company, the Group are considered to be its promoters.

The Group was originally formed in connection with the prospecting, exploration, development and financing of the molybdenum-copper orebody of Brenda Mines Limited in the Okanagan Valley of British Columbia. Messrs. Brynelsen and Menzies were involved in the prospecting, exploration and development of this orebody for a major Canadian mining company and, after the property had been abandoned by that company in 1957, carried on with the project themselves. Mr. Davis joined the Group in 1964 and became its chief advisor with regard to the financing of the Brenda project. Mr. Austin became associated with the Group in 1966 to provide legal and administrative assistance. In arranging production financing for Brenda, the Group gave up control but they continue to hold personal investments in Brenda Mines Limited.

Mr. Brynelsen, a mining engineer, and Mr. Menzies, a geological engineer, have together directed the Western Canadian exploration activities of a major Canadian mining company for over 20 years. In addition to the Brenda project they have been associated with the exploration and development of the Boss Mountain and Kennedy Lake mining properties which were brought into production. They were also involved in the exploration and development of the Newman Peninsula copper property where a production decision has been under consideration for some time. Before joining the Group Mr. Davis was a partner in a firm of chartered accountants and subsequently headed a lumber and saw mill project in British Columbia. Mr. Austin, a lawyer, was Executive Assistant to the Minister of Northern Affairs and National Resources from 1963 to 1966 and more recently was a partner in a legal firm in Vancouver. Further information in connection with the Group is set forth under "Directors and Officers" on page 14. Reference is also made to "Interest of Management and Others in Material Transactions" on page 18 for particulars of certain transactions entered into by the Company in which the Group had interests.

After giving up control of the Brenda project early in 1967, the Group continued an informal association in connection with various natural resource projects and developments. During this period, members of the Group individually acquired share interests in Magnum Consolidated Mining Co. Ltd. (N.P.L.) as well as investments in other companies active in the natural resource field. The Group also acquired the Thermochem sulphur process and rights in respect of the Sulphurdale sulphur property. These interests are to be consolidated in the Company as described below.

Formation of the Company

Brameda is the vehicle in which the Group will consolidate their various holdings and interests in the natural resource field other than their personal investments in Brenda Mines Limited. The Group anticipates that consolidation will improve the capability to develop present and future projects and will provide a strong financial base for future exploration and development.

The Company was originally incorporated to acquire a process for refining elemental sulphur ores and to acquire sulphur properties where the process could be utilized. The process and the properties acquired, including the Sulphurdale property which is being brought into production, are described under "Sulphur" on page 8.

On June 3, 1969 the Company entered into an agreement to purchase all the assets of Magnum Consolidated Mining Co. Ltd. (N.P.L.) ("Magnum") in consideration of the issue to Magnum of 1,400,000 shares of the Company (after consolidation) and the assumption by the Company of all the liabilities of Magnum on the date of closing. The obligations of the parties to this agreement are conditional upon the prior or contemporaneous sale by the Company of certain of its unissued shares on terms specified in such agreement, which terms will be fulfilled on the purchase by the Underwriter of the shares offered by this prospectus. Financial statements of Magnum are set forth on page 31.

The assets of Magnum include the McCracken silver property referred to under "McCracken Silver Orebody" on page 6 which the Company proposes to bring into production and 569,000 shares of Churchill Copper Corporation Ltd. ("Churchill"). Brameda already owns 142,858 shares of Churchill and has entered into agreements under which it will increase its share interest. These agreements and the Magnum copper orebody which Churchill will bring into production are referred to under "Churchill" on page 5. Financial statements of Churchill are set forth on page 38.

On May 26, 1969 the Company agreed to acquire all the issued and outstanding shares of Chapman, Wood & Griswold Ltd. ("CW & G") for 105,000 shares of the Company (after consolidation) and \$200,000. CW & G carries on the business of consulting mining engineers and geologists. Reference is made to "Consulting Services and Reports of CW & G" on page 12 and to the financial statements of CW & G on page 36.

The Company is investigating a timber project and a coal property in British Columbia, has entered into agreements to explore mineral properties and has acquired investments in other companies engaged in exploring for resources as described elsewhere in this prospectus.

Brameda has formed a senior management group having many years experience in the natural resource industry. In addition to the founders, this group includes: John Robert Croll, executive vice president, who has been treasurer and chief financial officer of Placer Development Limited for the past eight years;

Louis Philip Starck, vice president mines, who has been a director and manager of Giant Mascot Mines Limited for the past 10 years, prior to which he was an independent consultant for 10 years; J. Billingsley, manager of mine development, who is a mining engineer with 21 years of experience in mine management; L. S. Trenholme, manager of exploration who is a geologist with 30 years experience as a consultant or a chief geologist; and Dr. Michael Carr, senior geologist, who was formerly a geologist with the Mineralogical Branch of the British Columbia Department of Mines and Petroleum Resources and who is an authority on the geology of the Highland Valley.

Use of Proceeds

The net proceeds to be received by the Company from the sale of the shares offered by this prospectus, amounting to \$10,813,800, less expenses of the issue estimated at \$75,000, will be used to the extent of approximately \$7,000,000 to cover commitments of the Company as at June 27, 1969 or to repay bank loans incurred subsequent to that date to meet a portion of such commitments as they fell due. These commitments included the obligation to pay the liabilities of Magnum which will amount to approximately \$700,000, the sum of about \$4,300,000 to be applied to the purchase of additional shares of Churchill or loaned to that company, the sum of \$200,000 to be paid as part of the purchase price of the shares of CW & G and the sum of \$900,000 to be applied to the discharge of indebtedness incurred in connection with the purchase of the Sulphurdale sulphur deposits. Additionally, approximately \$900,000 was required to carry out minimum exploration commitments during the 12 months following such date.

The balance of such proceeds will be added to the general funds of the Company and may be used together with bank loans and other funds available to the Company, to pay the costs of bringing to production the Sulphurdale sulphur deposits and the McCracken silver orebody and costs of exploration and development programs arising in the course of the Company's business. It is normal for companies in the natural resource field to raise debt monies to finance production facilities for proven properties.

Further information in connection with the commitments referred to above, the Sulphurdale and McCracken projects and the various exploration and development programs presently being conducted by the Company are set forth under the headings "Formation of the Company" on page 4 and "Business of the Company" below.

Business of the Company

The Company plans to carry on the business of a natural resource development complex and to explore, develop and operate mineral properties of all kinds and to invest in and manage companies, businesses and ventures operating in the natural resource field.

Metals

Churchill

Churchill Copper Corporation Ltd. owns the Magnum copper orebody which it is bringing into production. The property is situated about 80 miles west of Fort Nelson, British Columbia, and is accessible by a 23 mile road from Mile 430, Alaska Highway.

The Company owns 142,858 shares of Churchill as a result of the conversion into shares of a \$1,000,000 loan made to Churchill earlier this year and will acquire an additional 569,000 shares as part of Magnum's assets as described under "Formation of the Company" on page 4.

In addition, Brameda has agreed to purchase 300,000 shares of Churchill from Nippon Mining Co. Ltd. in exchange for 70,000 shares of Brameda and \$1,400,000 payable September 22, 1969. On or before September 30, 1969, the Company will purchase a further 144,129 shares directly from Churchill at a price of \$7.00 per share, these shares being those which were not subscribed for under a recent rights offering by Churchill and for which the Company was given the right to subscribe under a financing agreement dated June 3, 1969 as amended. On completion of these transactions Brameda will own a total of 1,155,987 shares of Churchill or about 43% of its outstanding shares.

The Company has loaned Churchill the sum of \$500,000 and will lend an additional \$1,300,000 under the terms of the financing agreement referred to above, which loan will be convertible, at the option of Brameda, into shares of Churchill at a conversion price of \$7.00 per share, the conversion right to be exercisable at any time within one year of the date when the Magnum orebody is brought into production.

From 1958 to 1967 mapping, trenching and diamond drilling were carried out on the Magnum orebody. From June, 1967 to March, 1969 Churchill spent about \$2,300,000 on a surface and underground program which was continuous except for a winter shutdown from December, 1967 to April, 1968. This program has partially delineated the orebody.

In a report by CW & G dated February 21, 1969 and an addendum thereto the mineable ore reserves were estimated to be:

	<u>Tons of Ore</u>	<u>% Copper</u>
Proven and probable*	1,034,600	4.01
Possible*	976,800	3.64

*Reserves available for milling after applying to geological reserves the following factors: mining dilution—20%; mining extraction—95%.

The report states that the orebody is open for extension both at depth and laterally and that the possibility of developing additional reserves at approximately the above grades is excellent.

Metallurgical tests conducted by Britton Research Ltd. of Vancouver indicate that probable mill recovery for the ore will be in the order of 98% with a concentrate grade of 30% copper. A preliminary cash flow projection was prepared using these reserves and recovery and a copper price of 40 cents U.S. per pound, on the basis of which CW & G have recommended that the orebody be brought into production at a minimum mill rate of 750 tons per day. CW & G state that diamond drilling indicates the possibility of developing wider stoping widths at depth and that if these are confirmed through further development work, unit mining costs used in their preliminary cash flows will be substantially lower.

The first phase of the development program will be carried out at an estimated cost of \$3,725,500 as follows:

Underground development	\$1,169,000
Diamond drilling	72,500
Mine surface plant and service	515,200
Mine and mill equipment and ore haulage	108,800
Mill construction	650,000
Roads, townsite and water supply	1,010,000
Consulting engineering, supervision and contingency	200,000
	<u>\$3,725,500</u>

The first phase of the development program is now well under way and scheduled for completion by October 15, 1969. The second phase of this program, already approved by management and estimated to cost an additional \$4,000,000, should bring the property into production by mid-1970. This phase consists principally of additional underground development and completion of the mill with a capacity of over 1,000 tons of ore per day.

The cost of the first phase has been financed to date from the \$1,500,000 loan made to Churchill by the Company and the balance will be financed with the proceeds of about \$1,700,000 received or to be received by Churchill as a result of its rights offering and through the additional loan of \$1,300,000 which the Company has agreed to make. Management intends to finance the second phase through the issue of debt.

Nippon Mining Co. Ltd. has agreed to purchase all copper concentrates produced from the mine for a period of ten years at a price based on the Engineering and Mining Journal Export Refinery Price for copper.

Churchill owns or has an interest in four separate groups of mining claims within 12 miles of the Magnum orebody. A limited program of exploration has been carried out on these properties to keep them in good standing and it is proposed to intensify exploration activities after the Magnum orebody has been brought into production.

McCracken Silver Orebody

On its acquisition of the assets of Magnum, Brameda will acquire five patented lode mining claims (the "McCracken silver property") situate about 50 miles southeast of Kingman in Mohave County, Arizona.

Intermittent mining of moderate amounts of relatively high grade oxidized silver-lead ore was carried out from 1896 to 1924.

A program of exploration and development has been conducted over the last two years under the direction of CW & G consisting of mapping, surface and underground drilling, mineralogical studies, laboratory and pilot plant metallurgical testing and water development. A feasibility report dated January 20, 1969 by CW & G and a supplementary report dated April 30, 1969 provide the following information as to mineable reserves:

	<u>Ore</u> tons	<u>Silver</u> oz./ton	<u>Lead</u> %
Surface.....	562,800	4.34	2.07
Underground.....	57,200	10.26	1.65
TOTAL.....	620,000	4.89	2.03

The report states that at a projected processing rate of 175,000 tons per year and including diluted possible surface and underground reserves of 57,400 tons, the probable operating life is slightly less than four years. The possibility of developing additional reserves is somewhat limited. However, with lower operating costs and/or higher metal prices, some moderate extension of mineable reserves laterally and at depth may be anticipated. In addition, there is a potential in the general vicinity for additional reserves of both silver and copper ores which could be treated in the McCracken mill.

Pilot plant milling tests on the McCracken ore conducted at Hazen Research, Inc., Golden, Colorado, indicated that production scale milling recoveries would be in the order of 78% for silver and 66% for lead. Subsequent bench scale tests at the Seymour Laboratory in Vancouver (see page 13) have indicated that finer grinding and alteration in reagent procedure should permit recovery of slightly more than 80% of both silver and lead and that increased grinding costs may be offset by reduced reagent costs.

CW & G project net cash flow of \$2,942,500 U.S. (\$3,163,188) incorporating the higher metallurgical recoveries, based on a lead price of 14 cents U.S. (15 cents) per pound and silver prices ranging from \$1.90 U.S. (\$2.04) per ounce in 1970 to \$2.25 U.S. (\$2.42) in 1973. If the price of silver used in determining net cash flow were reduced to prices ranging from \$1.70 U.S. (\$1.83) per ounce in 1970 to \$2.00 U.S. (\$2.15) per ounce in 1973 and lead prices increased to an average of 14½ cents U.S. (15.6 cents) per pound to reflect more current metal prices the projected net cash flow would be reduced to about \$2,400,000 U.S. (\$2,580,000).

In 1968, Magnum made the decision to bring the McCracken orebody into production on the basis of preliminary feasibility studies. In October, 1968 an existing ore concentrator, including power and other ancillary facilities, was purchased for \$650,000 U.S. (\$698,750) and it will be re-erected at the McCracken site. Pit preparation work has been completed, and mill foundations are being prepared for the ore concentrator with production planned for early 1970. At April 30, 1969, the onward capital cost to bring the property to production was estimated at \$1,380,600 U.S. (\$1,484,145).

Exploration and Development

British Columbia

Brameda has entered into an agreement with North Pacific Mines Ltd. (N.P.L.) and Comet Krain Mining Corp. Ltd. dated October 31, 1968 in respect of 126 claims in the Highland Valley located about one mile north of the Bethlehem copper mine. The Company is presently examining these claims on which it must spend \$100,000 by December 31, 1969. Brameda may elect to carry out further exploration thereafter and to place the property in production by October 31, 1978, in which event it would be entitled to 70% of the profits after repayment of pre-production expenses and advances.

Under an agreement with Cadco Enterprises Ltd. dated October 31, 1968 the Company acquired an interest in 99 claims in the same area. The Company is proceeding to carry out an examination of these properties and has agreed to spend not less than \$50,000 on or before December 31, 1969. The Company may elect to carry out further exploratory work after that date and it may elect to bring the properties into production by October 31, 1978, in which event the Company would be entitled to 70% of profits after repayment of pre-production expenses and advances.

Brameda has entered into a joint venture with Noranda Exploration Company, Limited covering the North Pacific and Cadco claims under which Noranda has charge of all exploration and development programs. The costs of exploration and development and, if the properties are brought into production, the 70% interest in profits are to be divided equally between the Company and Noranda. Noranda is currently carrying out a program of road building, soil sampling and geophysical survey work on the properties.

Brameda has entered into an agreement with Taseko Mines Ltd. (N.P.L.) dated April 30, 1969, covering the Transvaal group of claims which adjoin the North Pacific property. The Company is committed to spend a minimum of \$25,000 before June 1, 1970. If the Company elects to continue exploration and brings the property into production by April 30, 1979 it will be entitled to 60% of the profits.

Yukon

On June 20, 1969 Brameda entered into an agreement with Casino Silver Mines Ltd. (N.P.L.) for the further exploration of that company's Casino and Canadian Creek properties in the Yukon Territory. Brameda is committed to spend not less than \$150,000 prior to December 31, 1969 and may elect to carry out further exploration thereafter and to bring the property into production by June 20, 1979, in which case Brameda will acquire a 60% interest in the properties or a 70% interest if more than \$10,000,000 is expended. Initial diamond drill results are encouraging.

Quebec

Under an agreement dated November 1, 1968 with Gulf Titanium Limited (N.P.L.) Brameda acquired the exclusive rights to possession, management and control of a titanium property in Quebec. The Company agreed to keep the claims in good standing during the continuance of the agreement and to commence a program to assess the technological and economic feasibility of various processes for commercial exploitation of ore derived from these claims and in particular to assess the Ionarc process (see page 13) for the exploitation of the ore. To maintain the agreement in good standing the Company has agreed to ensure that at least \$200,000 is spent by itself or others on this assessment of the Ionarc process prior to November 1, 1969. If the Company elects to bring this property into production and if the production is at a rate of not less than 5,000 tons per day the Company has the right to acquire 60% of the shares of a new company to be formed to acquire the property but if production is at a lesser rate it is entitled to 50% of the shares.

Extensive exploration of this property has indicated a very large tonnage of material containing in the order of 10% titanium dioxide. The Company has had test work carried out on samples of the ore using the Ionarc process and results to date have been inconclusive but encouraging. Further test work is to be carried out to determine the economic feasibility of applying this and other processes to the ore.

Other Areas

Brameda will acquire as part of Magnum's assets certain exploration interests in the south-western United States and in Mexico. Programs are planned which are estimated to cost \$50,000 U.S. (\$53,750) in 1969. Two copper prospects near the McCracken orebody are under option in Arizona and 14 copper and/or silver prospects are held in Mexico. Magnum also holds 300 claims in the Coppermine area of the Northwest Territories and has approximately 5% of the shares of Musko Mines Ltd., which holds prospecting concessions on Victoria Island, 400 miles north of Coppermine.

Sulphur

Thermochem Process

Brameda owns four patent applications in the United States relating to a process for the refining of elemental sulphur ore ("Thermochem process"). This process makes use of a solvent on a continuous basis to extract elemental sulphur from deposits which are not amenable to the conventional Frasch process. United States patent counsel have given the Company their opinion that patents will issue in respect of the inventions covered in these applications. Patent applications are also pending in other jurisdictions. Under the agreement with the former owner of these patent applications the Company has agreed to pay a royalty of $\frac{1}{3}$ of 1% of the selling price of all sulphur produced by means of the process, but not less than \$10,000 U.S. (\$10,750) per annum.

In 1967 the Colorado School of Mines Research Foundation, Inc. ("Research Foundation") of Golden, Colorado, was commissioned to determine the economics of the Thermochem process and to

obtain engineering design data for commercial operation. This work has been under the general supervision of CW & G with Lakeside Engineering Company, Inc. ("Lakeside Engineering") of Salt Lake City, Utah, acting as a consultant.

Tests conducted in a plant with a capacity of four to eight pounds per hour on a variety of ores from several sources were successful, and a large pilot plant at Golden, Colorado, with a capacity of up to 1,000 pounds of feed material per hour, was subsequently constructed and has been operating under test conditions since November, 1968. The pilot plant was designed so that a commercial plant can readily be constructed on a scale-up basis.

A report of the Research Foundation dated February 21, 1969 states that tests on over 100,000 pounds of varied material resulted in an average sulphur recovery rate of 84% with a high of 95% and that purity has ranged between 99.85% and 99.98% sulphur. The report also states that no significant technical problems, including corrosion or solvent loss, have been encountered. Based on a 1,000 ton per day plant treating ore grading 20% elemental sulphur, the direct operating costs should be less than or competitive with sulphur produced by the Frasch process.

License Agreements

By agreement dated February 15, 1969 the Company granted to Benguet Consolidated, Inc., ("Benguet"), Republic of Philippines an exclusive right to use or sublicense the Thermochem process in the Philippines and Taiwan, subject to a right reserved to the Company to use the process in those areas. Benguet must elect to use the process before the end of 1969 and if it does it will pay a royalty ranging from \$2 U.S. (\$2.15) per ton for the first 1,000,000 long tons of sulphur produced to 50 cents U.S. (54 cents) per ton for sulphur produced in excess of 2,000,000 tons, subject to a minimum royalty of \$150,000 U.S. (\$161,250) payable in quarterly instalments of \$7,500 U.S. (\$8,063) commencing in 1970. Benguet's sulphur deposit in the Philippines is reported to contain over 30 million metric tons averaging about 30% elemental sulphur. A successful 100 hour run of Benguet's ore at the Company's pilot plant at Golden was completed in May, 1969.

The Company has also granted a non-exclusive license dated February 28, 1969 to Scurry-Rainbow Oil Limited, Calgary, to use the Thermochem process in Bolivia, South America, on substantially the same terms as the license granted to Benguet. It is reported that the Scurry-Rainbow reserves in Bolivia are over 2.7 million metric tons averaging 45% elemental sulphur.

Sulphurdale Property

In 1968, the Company's wholly-owned subsidiary, Thermochem Industries of America, Inc., acquired approximately 16,120 acres (25.2 square miles) containing sulphur deposits ("Sulphurdale property") near Cove Fort, Utah. A royalty of \$2 U.S. (\$2.15) per long ton of sulphur is payable on the first 500,000 tons produced and sold from this property.

From 1918 to 1946 several attempts were made to operate the Sulphurdale property on a large scale. In 1952 about 6,316 feet of diamond drilling was carried out to an average depth of 60 feet on a 100 foot drill grid spacing. In 1967 the previous owners conducted a program of pneumatic rotary drilling and 120 holes aggregating about 8,400 feet were drilled. In 1968 the Company instituted a program under the supervision of CW & G consisting of bulk sampling, trenching, seismic and ripping tests, geochemical surveying, rotary drilling, aerial photography and geological mapping.

In a report dated May 9, 1969 Lakeside Engineering estimates drill measured ore reserves to be 1,800,000 metric tons containing 328,405 metric tons of sulphur in five deposits. In this report Lakeside Engineering refers to the work carried out prior to 1968 which indicated much greater tonnage and grade of ore which could not be confirmed in the absence of detailed drilling records and other information. The Company is carrying out additional drilling with a view to expanding the Lakeside estimates of tonnage and grade.

Tests carried out at the Company's pilot plant at Golden, indicate that treatment of the Sulphurdale ore using the Thermochem process will produce consistent merchant grade sulphur assaying 99.8% sulphur.

CW & G in a report to the Company dated March 6, 1969 states that in their opinion all the production from a plant treating 1000 metric tons of Sulphurdale ore per day can be sold in the western

United States at prices ranging from \$35 U.S. (\$37.63) to \$45 U.S. (\$48.38) per metric ton despite currently weaker sulphur markets.

Lakeside Engineering estimates that a complete treatment plant on the Sulphurdale property will cost \$3,570,705 U.S. (\$3,838,508). Subsequent studies have indicated the feasibility of simplifying the plant design, which could result in cost savings of up to \$1,000,000 U.S. (\$1,075,000). Management estimates that an additional \$1,500,000 U.S. (\$1,612,500) will be required for preproduction expenditures, property payments and working capital in order to bring the property into production. Lakeside Engineering estimates that based on a total of 328,045 tons of sulphur at \$40 U.S. (\$43.00) per metric ton the aggregate net cash flow, after royalty payments and taxes, will approximate \$6,400,000 U.S. (\$6,880,000). CW & G indicates that if the tonnage and grade figures determined from previous work can be substantiated, the net cash flow will be substantially increased.

The Company is proceeding with CW & G's recommended program and proposes to bring the property into production in the fall of 1970 at a capacity of 1000 metric tons of ore per day. The Company intends to obtain debt financing to meet the major portion of the costs of production facilities.

Exploration and Development

The Company is assessing three sulphur properties, two of which are located in Costa Rica and the other in the Philippines. The following information is summarized from reports by: Paul H. Nichols, economic geologist then of Tyler, Texas dated November 12, 1966; CW & G dated March 7, 1969; C. W. Archibald, Toronto, dated September 6, 1968 and May 28, 1968; and Lakeside Engineering, dated May 9, 1969. Total expenditures in Costa Rica during the first half of 1969 were about \$200,000 U.S. (\$215,000) and expenditures in the second half are budgeted at \$240,000 U.S. (\$258,000). These expenditures will keep these properties in good standing under the agreements referred to below until various dates in 1970. Preliminary examination of the Philippine property is estimated to cost \$30,000 U.S. (\$32,250).

Chocosuela property, Costa Rica—The Company has the right to earn 55% of the profits from this property which is situated in Alajuela Province at elevations of from 6,000 to 7,000 feet above sea level. The central portion of the property is about 4.5 miles northwest of the village of Palmira which is about 44 miles east and north of the Pacific coast port of Puntarenas. Topography is rough with steep hills and dense jungle growth. Based on exploration work to date, the area has the potential of containing very large deposits of elemental sulphur. Although title to approximately one-third of the reserves delineated to date are under dispute and were recently awarded by the courts to third parties, the remaining area has the potential of more than meeting a minimum target of ten million tons grading 20% elemental sulphur. The court decision is under appeal.

Gongora deposit, Costa Rica—The Company has the right to earn 60% of the profits from the Gongora River sulphur deposit which is located 25 miles north east of the City of Liberia which is approximately 80 miles by highway north west of the Pacific port of Puntarenas. Forty-four holes have been diamond drilled on the property over an area 1800 feet long by 1200 feet wide and indicated tonnage is 4,921,944 tons with an average grade of 15.1% elemental sulphur. The deposit has not been delimited in any direction and poor core recovery and sampling of limited surface exposures indicate that the grade is probably higher than indicated by drilling results. Tests on the Gongora ore indicate that it can be successfully treated by the Thermochem process. In their report CW & G recommends further evaluation of the Gongora deposit to check the grade and continuity of sulphur mineralization. The report proposes trenching into the sulphur bearing formation over a strike length of 600 feet which would involve the excavation of from 160,000 to 260,000 cubic yards of material. This program is underway and will cost about \$140,000 U.S. (\$150,500).

Majoneg deposits, Philippines—These deposits consist of five claims which Majoneg Mining & Minerals Exploration Co. Inc. holds under government lease agreements and 52 other claims. The Company has the right to carry on exploration and if it elects to bring the properties into production it is entitled to all profits subject to the payment of a royalty of \$1.70 U.S. (\$1.83) per metric ton of sulphur produced. The title to these deposits requires clarification and while this is being done the Company proposes to carry out only preliminary examinations.

Coal

The Company has entered into an agreement dated June 6, 1969 with Pine Pass Coal Company Limited ("Pine Pass") under which it has the right to explore and develop certain coal deposits in the Pine Pass Area of British Columbia. The property is located on both sides of the Pacific Great Eastern Railroad, 640 miles from Vancouver and 150 miles northeast of Prince George by the John Hart Highway. A license to mine these deposits must be obtained under the Coal Act of British Columbia which requires the approval of the Lieutenant-Governor in Council.

To maintain this agreement in good standing the Company has paid Pine Pass \$35,000 and is to pay \$25,000 each year until commercial production is commenced. The Company is to spend \$75,000 on exploration, development or production work by June 1, 1970 and an additional \$100,000 by June 1, 1971. If the Company enters into a contract for the sale of coal from these deposits it is to pay Pine Pass \$200,000 at that time and, 367 days thereafter, an additional \$200,000 plus a royalty of 25 cents for each ton of coal sold.

The following paragraphs are summarized from reports prepared by D. W. Pringle & Associates Ltd. ("Pringle"), Mining Consultants, Richmond, British Columbia, dated October 1, 1967 and February 4, 1969 and from a report by N. D. McKechnie, British Columbia Department of Mines (Bulletin No. 36, published in 1955).

Mr. McKechnie's report indicates a potential of 40.8 million tons of recoverable coal from the Pine Pass area. The coal is distributed in nine seams over an area of 18 square miles consisting of 9.0 million tons at Noman Creek, 23.8 million tons at Willow Creek, and 8.0 million tons at Hasler Creek. These estimates of potential reserves were based on work carried out by the government between 1946 and 1951 which included a total of 48,653 feet of diamond drilling and the driving of a 500 foot adit at Hasler Creek from which a bulk sample of 200 short tons was taken. In an assessment of the potential reserves at Noman Creek, Pringle essentially substantiates Mr. McKechnie's work by indicating a possible recovery of approximately 8.7 million tons of coal from that area. No assessment was made by Pringle of the other areas mentioned above.

In October, 1968 a 120 foot exploration adit was driven at Noman Creek, approximately 500 feet north of the John Hart Highway. Bulldozer work stripped the surface exposure to a depth of 53 feet, opening up a face height of 70 feet. The width of the coal seam at this point was 16 feet. Visual observation at the adit entrance indicated some oxidation, but good bright coal was encountered about 25 feet from the tunnel entrance. The adit was then advanced a further 80 feet on strike and opened to true width of 16 feet. At this point a bulk sample was taken and shipped to Japan and samples were also shipped to Coast Eldridge Assayers, Vancouver.

Test results from the samples shipped to Coast Eldridge indicate a good grade of coking coal that should be acceptable to the Japanese market. Results from samples shipped to Japan have not been received.

A preliminary economic evaluation of the coal deposits was made by Pringle. This evaluation was based on a minimum objective of producing and selling 20 million tons of bituminous coal. He estimates an initial capital investment of approximately \$10 million for a plant to produce 1.5 million long tons of coal per annum. Total operating costs, including transportation, were estimated at \$10.95 per long ton.

Contracts with Japanese firms for coal produced by other companies in the Pacific rim have recently been signed at approximately \$13.50 U.S. (\$14.51) per long ton for delivery in 1971. A major feasibility study including additional exploration and development work and a further assessment of capital and operating costs is to be carried out at an estimated cost of one million dollars. Given a favourable study it is possible that production could commence late in 1970. The Company has entered into a letter of intent with Nissho-Iwai Canada Ltd., a subsidiary of a major Japanese trading company, for the sale of up to two million long tons of Pine Pass coal per annum.

Timber

Brameda's wholly owned subsidiary, Atlin Industries Ltd ("Atlin"), has the right up to December 31, 1969 to present a proposal to the Government of British Columbia for the development of a wood enter-

prise on a timber property located on the western sector of the border between British Columbia and the Yukon Territory on the foreshores of Atlin and Tagish Lakes.

A preliminary study dated February 4, 1969 was prepared by Wescan International Forestry Services Ltd. ("Wescan"), Vancouver, to assess the broad economic feasibility of establishing a lumber manufacturing facility on the White Pass and Yukon Railway in the vicinity of Carcross, Yukon Territory. In addition, a study of the technical aspects, ranging from the source of supply of raw materials to the marketing of finished products, was carried out and a final feasibility study is under way. A brief summary of the preliminary study follows:

Based on British Columbia Forest Service statistics, the wood enterprise would provide for the ultimate utilization of a sustained log supply of 110 million board feet per annum. A plan is outlined utilizing three plants with a common site consisting of a small log sawmill for 6" to 12" top diameters, a band sawmill for 10" and over top diameters and a pulp chip plant for reject logs.

Wescan, on a preliminary basis, states that the project is both physically and economically feasible and that the three plants could be constructed for an estimated cost of \$4.8 million to produce 105 million board feet of lumber and 108,000 bone dry units (2,400 pounds per unit) of pulp chips per annum. Estimates of profitability contained in the report indicate a cash flow which yields a satisfactory return on invested capital.

The preliminary report of Wescan has been discussed with the Government of British Columbia and the Company expects that the proposal to be made by Atlin will be accepted in which event Atlin will proceed with the project with a view to commencing initial production in 1970.

Consulting Services and Reports of CW & G

Brameda has entered into an agreement dated May 26, 1969 to purchase all the shares of Chapman, Wood & Griswold Ltd. for \$200,000 and 105,000 shares of the Company. The agreement is conditional upon the purchase by the Underwriter of the shares offered by this prospectus. All reports of CW & G referred to in this prospectus were prepared by CW & G prior to the negotiations in connection with the acquisition of CW & G by the Company. Shareholders and employees of CW & G acquired 126,000 shares of Brameda (after consolidation) during 1968 and were shareholders when the various programs referred to under "Sulphur" were carried out under their supervision.

CW & G, with offices at 133 East 14th Street, North Vancouver, British Columbia, was formed in 1959 by E. P. Chapman, Jr., John A. Wood and G. R. Griswold. Its major field of activity is consulting in the mining and mineral exploration industries. A wholly owned subsidiary with offices in Albuquerque, New Mexico provides consulting services and specializes in metallurgical test work and investigations. The company employs 17 engineers and geologists with many years of varied experience in the mining and mineral industry.

CW & G has provided services in connection with mining properties and projects in North America, Central America, South America, Europe, Australia and Africa. In particular, it has provided exploration management and development-feasibility engineering for the Magnum copper orebody and for the molybdenum-copper deposit of Brenda Mines Limited. CW & G has also been associated with Cortez Gold Mines in Nevada, the third largest gold producer in the United States, which operates a 1,500 ton per day open pit gold mine that commenced production in January, 1969. It was also involved in the evaluation of the copper deposit of Craigmont Mines Limited and the molybdenum deposit of Endako Mines Ltd. (N.P.L.), which were brought into production in 1959 and 1965 respectively.

CW & G will continue to operate as an independent business entity with no change in officers or senior personnel. Financial statements of CW & G are set forth on page 36.

Other Interests

Giant Mascot Mines Ltd.

Brameda will acquire for 215,178 shares of its capital stock, 614,796 shares or 13% of the 4,693,728 outstanding shares of Giant Mascot Mines Ltd. ("Giant Mascot"). Four of the Brameda directors are members of the Giant Mascot board. Giant Mascot owns and operates a nickel-copper mine, consisting of 125 claims, near Hope, British Columbia which commenced production in July, 1959. The property is equipped with a 1400 ton per day concentrator.

Proven and probable ore reserves including normal dilution and extraction allowances, as reported by Giant Mascot, amounted to 897,241 tons grading 0.96% nickel and 0.52% copper at September 30, 1968. Proven and probable reserves on April 30, 1969 were in excess of one million tons grading 0.95% nickel and 0.50% copper. Giant Mascot has been successful in increasing both ore reserves and grade each year for the past three years despite the fact that more than one million tons of ore have been milled during this period.

Detailed geological studies and an extensive exploration program were initiated in June, 1969 to expand ore reserves with a view to a possible increase in mill capacity.

The following table briefly summarizes operations during the past three years:

	Years ended September 30		
	1968	1967	1966
Ore treated—tons.....	338,340	333,546	331,579
Grade—% nickel.....	0.675	0.855	0.660
% copper.....	0.23	0.31	0.33
Nickel produced—lbs.....	3,769,519	4,752,936	3,476,303
Copper produced—lbs.....	1,417,703	1,998,577	1,838,672
Net smelter return per ton.....	\$9.04	\$10.36	\$7.21
Operating costs per ton.....	\$5.56	\$5.92	\$5.07
Cash flow generated.....	\$728,779	\$996,580	\$488,769

Giant Mascot owns the Canam copper property also near Hope, B.C. A surface exploration program is being carried out on this property to increase presently known reserves and to ascertain if a large tonnage of low-grade ore can be developed which would lend itself to low cost mining. Giant Mascot has reported that proven and possible reserves in one zone of the property amount to 2 million tons of better than 1% copper and that additional indicated tonnages could amount to as much as 12 million tons grading in the order of 0.72% copper.

Ionarc Smelters Ltd.

As part of Magnum's assets, Brameda will acquire an investment of 45,000 shares of Ionarc Smelters Ltd. Ionarc has developed a process using a plasma arc whereby it is technically feasible to produce metal from complex ores of zirconium, columbium and titanium and ores containing precious metals.

Ancore International Ltd.

Brameda owns 25% of Ancore International Ltd. (formerly Oceanic Trading Company Limited). Ancore, through subsidiary and associated companies, carries on the business of forest products development and marketing and transporting forest and allied products to Pacific rim countries.

Seymour Laboratory Ltd.

Seymour Laboratory Ltd. ("Seymour"), a wholly owned subsidiary of the Company located in Vancouver, B.C., began operations in July, 1968. Its primary function is to provide fast and accurate analysis of soil and rock samples using modern atomic absorption techniques. Its assaying and geochemical facilities were considerably enlarged during recent months to meet an increasing demand for these services. An ore-testing section has been installed. At May 31, 1969, Seymour employed eight full-time employees.

Exploration Companies

Under an agreement dated May 30, 1969, the Company is acquiring from the Group (acting for themselves and also in certain cases for Albert Edward Turton, Vancouver) the shares of the companies listed below for a price equal to about 50% of the market value at May 30, 1969 of "free" shares and 12½% of such market value of "escrow" shares, which price is to be satisfied by the delivery of 70,000 shares of Brameda of which the Group will receive 56,000 shares and Mr. Turton will receive 14,000 shares.

	<u>Shares</u>	<u>% Outstanding Shs.</u>
Casino Silver Mines Ltd. (N.P.L.).....	450,000 (306,190)	16%
Hearne Coppermine Explorations Limited (N.P.L.).....	243,333 (243,333)	26%*
Kismet Mining Corp. Ltd. (N.P.L.).....	596,000 (325,000)	31%
Pinex Mines Limited (N.P.L.).....	984,230 (777,730)	42%
Secondo Mining Ltd. (N.P.L.).....	290,000 (200,000)	22%
Territory Mining Ltd. (N.P.L.).....	550,000 (266,667)	34%
Westland Mines Ltd. (N.P.L.).....	125,000 (98,750)	6%

() indicates the number of shares which are subject to escrow terms.

*includes an additional 290,600 shares acquired for cash by Brameda which were not included in the securities sold to Brameda by the Group.

Casino's main area of interest is the Yukon where it holds silver, copper-molybdenum (see page 8 under "Yukon") and lead-silver prospects. Hearne is concentrating on exploration in the Coppermine and Bathurst Inlet areas of the Northwest Territories. Kismet's holdings are in Idaho and Colorado and include copper, silver and molybdenum properties. Pinex's main activity is in uranium exploration in northern Saskatchewan. It also holds claims in the Coppermine and Pine Point areas of the Northwest Territories. Secondo's exploration is entirely in British Columbia where molybdenum and silver prospects are being assessed. Territory holds claims in the Bathurst Inlet and Pine Point areas both of which will be examined in 1969. Westland is carrying out a major underground program on its Middle Fork property 30 miles east of Seattle, Washington, and also has a nickel prospect in Washington and exploration holdings in Oregon. The Company and Terra Nova Properties Limited are providing \$500,000 to Westland for its Middle Fork program and have the right to make further advances all of which are convertible at \$1.25 per share. In 1969 these seven companies will conduct exploration using their own funds involving estimated total expenditures of about \$1,200,000.

Underwriting

By an agreement dated September 4, 1969 the Company has agreed to sell and Burns Bros. and Denton Limited, as Underwriter, has agreed to purchase the 1,340,000 shares offered by this prospectus for \$10,813,800 payable against delivery of such shares on or about September 24, 1969, subject to the terms and conditions of the said agreement. Under another agreement dated September 4, 1969 the Company has granted the Underwriter an option for three and one half years to purchase 130,000 shares of the Company at \$8.50 per share.

Directors and Officers

The directors and officers of the Company and their principal occupations for the preceding five years are as stated below.

<u>Name and Address</u>	<u>Office</u>	<u>Principal Occupation</u>
BERNARD ORLANDE BRYNELSEN*... 1962 Knox Road, Vancouver, B.C.	Chairman of the Board..... and a Director	Chairman of the Board Brameda Resources Ltd.
MERVIN EDWARD DAVIS*..... 597 Haddon Drive, West Vancouver, B.C.	President and a Director.....	President, Brameda Resources Ltd.
JACOB AUSTIN*..... 2664 Edgar Crescent, Vancouver, B.C.	Senior Vice-President..... and a Director.	Senior Vice-President Brameda Resources Ltd.
MORRIS MCCALLUM MENZIES*.... 5585 McMaster Road, Vancouver, B.C.	Vice-President, Exploration..... and a Director	Vice-President, Exploration, Brameda Resources Ltd.

<u>Name and Address</u>	<u>Office</u>	<u>Principal Occupation</u>
JOHN ROBERT CROLL* 3984 Bayridge Avenue, West Vancouver, B.C.	Executive Vice-President,..... Chief Financial Officer and a Director	Executive Vice-President and Chief Financial Officer, Brameda Resources Ltd.
LOUIS PHILIP STARCK* 3958 Bayridge Court, West Vancouver, B.C.	Vice-President, Mining..... and a Director	Vice-President, Mining Brameda Resources Ltd.
DAVID ROSS FITZPATRICK..... 1562 Westbrook Crescent, Vancouver, B.C.	Vice-President and Secretary.....	Vice-President and Secretary, Brameda Resources Ltd.
STANLEY BUDWORTH SLYM..... 4115 Ripple Road, West Vancouver, B.C.	Vice-President and Treasurer.....	Vice-President and Treasurer, Brameda Resources Ltd.
ROBERT GRAHAM ANNABLE..... 735 King Georges Way, West Vancouver, B.C.	Director.....	President & Director, Ancore International Ltd.
LATHAM CAWTHRA BURNS..... 330 Spadina Road, Toronto, Ont.	Director.....	President & Director, Burns Bros. and Denton Limited.
JOHN ADDISON McLALLEN..... 1678 Somerset Crescent, Vancouver, B.C.	Director.....	Chairman of the Board and Director, Bethlehem Copper Corp. Ltd. Vice-President, General Manager and Director of Capilano Timber Co. Ltd.
VERNON TAYLOR JR..... 6900 W. Lakeridge Road, Denver, Colorado.	Director.....	Industrialist, Director of International Minerals & Chemical Corporation, Placer Development Ltd., Union Pacific Corporation, Craigmont Mines Limited, Colorado National Bank and Scurry-Rainbow Oil Limited.
FRANK WELTERS..... 5454 Balsam Street, Vancouver, B.C.	Director.....	Industrialist, Director of Casino Silver Mines Ltd.(N.P.L.)

*Members of the Executive Committee.

Mr. Brynelsen was the manager of the Western Division of Noranda Exploration Co. Ltd. from 1948 until June, 1969. He is the President and a Director of Brenda Mines Ltd. and a Director of a Canadian chartered bank and other companies.

Mr. Davis has been Vice-President, Finance and a Director of Brenda Mines since 1965. Prior to that he was a partner in a firm of chartered accountants in Penticton, British Columbia.

Mr. Austin was a partner in a Vancouver law firm during the period 1966-1969. From April 1963 to the end of 1965 Mr. Austin was Executive Assistant to the Minister of Northern Affairs and National Resources, Ottawa.

Mr. Menzies has been a Vice-President and is a Director of Brenda Mines Limited since 1967. From 1951 to 1967 he was Assistant Western Manager, Noranda Exploration Co. Ltd.

Mr. Croll, a chartered accountant, was Treasurer and chief financial officer of Placer Development Ltd. for the period 1961-1969.

Mr. Starck has been the General Manager of Giant Mascot for over five years and is presently its Managing Director.

Mr. Fitzpatrick was Executive Assistant to the Chairman of the Board, Westcoast Transmission Ltd. from 1966 to 1968 and before that was Executive Assistant, Minister of Labour, Ottawa, for over two years.

Mr. Slym a chartered accountant has been Treasurer of Combined Capital Resources Limited since 1966. In 1965 he was Comptroller of Raymore Investments Ltd., a Vancouver brokerage firm, and previously was a practising chartered accountant.

The Directors and Senior Officers of Brameda, other than the Group, whose share ownership is set forth under "Principal Shareholders" below, together beneficially owned, directly or indirectly, approximately 9% of the common shares of the Company as at May 31, 1969, and will own approximately 5% of such shares upon completion of this financing and of the other transactions referred to in note 1 to the financial statements of the Company on page 25.

Remuneration

The Company has paid \$19,663 to a related company for management services during the period from incorporation to April 30, 1969 which includes \$12,000 paid by that company to one of the directors of Brameda. No direct or other indirect remuneration has been paid by the Company to its directors or senior officers. During the current financial year no remuneration is to be paid to directors, as such, and \$155,000 is estimated to be paid to officers of the Company.

Principal Shareholders

The following table includes the names and shareholding of the founders and of the only shareholder of the Company which will hold, directly or indirectly, more than 10% of its outstanding shares.

<u>Name of Shareholder</u>	<u>Type of ownership</u>	<u>Number of shares owned as at June 10, 1969</u>	<u>Percentage of shares then outstanding</u>	<u>Number of shares to be owned upon completion of this financing</u>	<u>Percentage of shares to be then outstanding</u>
Magnum Consolidated Mining Co. Ltd. (N.P.L.)	Direct	—	—	1,400,000	21.6
Bernard Orlande Brynelsen	Direct	255,836	7.6	309,630	4.8
	Indirect	8,750	0.3	54,250	0.8
Mervin Edward Davis	Direct	255,836	7.6	309,630	4.8
	Indirect	8,750	0.3	46,270	0.7
Jacob Austin	Direct	255,836	7.6	309,630	4.8
	Indirect	8,750	0.3	67,000	1.0
Morris McCallum Menzies	Direct	255,836	7.6	309,630	4.8
	Indirect	4,375	0.1	4,375	0.1

Direct ownership is both of record and beneficial. Indirect ownership is through ownership of shares of Magnum Consolidated Mining Co. Ltd. (N.P.L.) and Combined Capital Resources Ltd., a related company. Figures of share ownership are after consolidation of the Company's share capital.

Prior Sales of Shares

Since its incorporation on February 27, 1968, the Company has issued and sold 3,109,050 shares (after consolidation) for an aggregate cash consideration of \$3,286,500 as follows:

<u>Date of Issue</u>	<u>Number of Shares</u>	<u>Price per Share</u>	<u>Aggregate Price</u>
July 25, 1968	2,100,000	\$ 0.143	\$ 300,000
December 11, 1968	840,000	1.54	1,296,000
April 30, 1969	154,000	10.00	1,540,000
June 6, 1969	15,050	10.00	150,500

The 2,100,000 shares of the Company issued on July 25, 1968 were issued, pursuant to the agreement providing for the acquisition by the Company of the interest of the Group and two other vendors in the contract for the purchase of the Sulphurdale property, to ten subscribers in consideration for cash subscriptions in the aggregate sum of \$300,000, which amount was used by the Company to maintain the contract for the purchase of the Sulphurdale property and to carry out further preliminary work on the Thermochem process. The shares issued for cash after July 25, 1968 were issued to private individuals and the proceeds from the issue of these shares were used by the Company for the further development of the Thermochem Process and the Sulphurdale property and to meet various exploration and other commitments of the Company.

An additional 105,000 shares have been issued in exchange for shares of Oceanic Trading Co. Ltd. (now Ancore International Ltd.) at an ascribed value of \$10.00 per share referred to under "Interest of Management and Others in Material Transactions" on page 18 and 84,000 shares have been issued under the "Employee Share Purchase Plan" referred to hereunder.

The Company has agreed to issue a further 1,505,000 shares as consideration for its purchase of the assets of Magnum and of the outstanding shares of CW & G as referred to under "Formation of the Company" on page 4 and in Notes 1 and 6 to the financial statements of the Company on page 22. The Company has also agreed to issue a further 70,000 shares as partial consideration for its purchase of shares of Churchill from Nippon Mining Co. Ltd. referred to under "Churchill" on page 5 and a further 285,178 shares as consideration for its purchase of shares of Giant Mascot and of the companies referred to under the heading "Exploration Companies" as referred to under "Interest of Management and Others in Material Transactions" on page 18.

Employee Share Purchase Plan

Under a Share Purchase Deferred Payment Plan dated May 26, 1969, 84,000 shares of the Company have been issued to 16 management personnel (other than the Group) at a price of \$10 per share, of which 10% has been paid and the balance is payable in four annual instalments of 10% per annum with the remaining 50% payable not later than May 31, 1974. Any such shares not fully paid for are subject to forfeiture. Pending payment in full but in any event until November 30, 1970, the purchased shares are lodged in escrow.

Escrowed Shares

The 2,100,000 and the 840,000 shares (after consolidation) of the Company which were sold at prices of \$0.143 and \$1.54 per share respectively are subject to escrow agreements between the holders of these shares, the Canada Permanent Trust Company, as escrow agent, and Burns Bros. & Denton Limited. Under these agreements, shares may be released only with the consent of the Alberta Securities Commission, the British Columbia Securities Commission, the Ontario Securities Commission and the Quebec Securities Commission. Subject to these consents being obtained the shares may be released according to the following schedule:

<u>Date released</u>	<u>Percent of shares sold at \$0.143 per share</u>	<u>Percent of shares sold at \$1.54 per share</u>
August 31, 1970	5%	10%
August 31, 1971	10%	20%
August 31, 1972	15%	30%
August 31, 1973	20%	40%
August 31, 1974	50%	—

Description of Shares

The shares without nominal or par value constitute the Company's only class of share capital. Each share carries one vote. All shares rank equally on liquidation and are entitled to participate equally in dividends. The shares offered by this prospectus will be fully paid and non-assessable on completion of this financing. The holders of these shares have no pre-emptive or conversion rights.

Dividend Policy

The Company has paid no dividends on its shares and presently expects to retain any earnings to finance the development and expansion of its business. The payment of dividends will ultimately be determined by the Board of Directors of the Company on the basis of earnings, financial requirements and other factors.

Speculative Nature of Securities

The securities offered by this prospectus should be considered speculative because the Company has no record of earnings and has not brought any of its properties into production. In addition a portion of the funds being raised will be used for exploration. It should be noted that there is a high degree of risk in mineral exploration and in the event that such exploration is successful it is normal for a time lag to occur between the time when an investment is made in an exploration and development program and the time when a return may be expected from such investment.

Interest of Management and Others in Material Transactions

Since its incorporation on February 27, 1968 the Company has entered into various transactions in which the directors or senior officers of the Company had interests.

On July 28, 1968 the Company acquired the Thermochem process from Messrs. Mervin Edward Davis, Bernard Orlande Brynelsen, Jacob Austin, Morris McCallum Menzies and Frank Welters and a further vendor for a consideration of \$5,000, being equivalent to the price paid for such process by the vendors, and is obliged to reimburse the vendors for the expenses in the amount of about \$30,000 U.S. (\$32,250) which they had incurred in acquiring the process.

On July 28, 1968 the Company acquired from Messrs Davis, Brynelsen, Austin, Menzies and Welters and two further vendors an assignment of their right to acquire the Sulphurdale mining property. The consideration for such assignment consisted of the obligation to reimburse the vendors for their expenses in the amount of about \$310,000 U.S. (\$333,250) incurred in acquiring, examining and holding the property together with the right, which was subsequently exercised by the vendors, to purchase 2,100,000 shares (after consolidation) of the Company at a cash price of about 14.3 cents per share.

On May 15, 1969 the Company purchased from Robert Annable, who subsequently became a director of the Company, 25% of the outstanding shares of Oceanic Trading Co. Ltd. (now Ancore International Ltd.) for a consideration of 105,000 shares (after consolidation) of the Company. The Group have agreed to vote all of their common shares of the Company for the election of Mr. Annable to the board of directors of the Company so long as he holds not less than 70,000 shares.

Pursuant to agreements dated May 30, 1969 the Company has agreed to purchase from Messrs. Austin, Brynelsen, Davis and Menzies their shareholdings in Giant Mascot, referred to on page 12, and in the companies referred to under the heading "Exploration Companies" on page 13 for purchase prices of 215,178 and 70,000 shares of the Company respectively. The shares of Giant Mascot were acquired by the vendors within the two year period immediately preceding the date of this prospectus for a cash consideration of about \$1,352,000. All of the other shares, except the shares of Casino, were also acquired by the vendors within the two year period immediately preceding the date of this prospectus for an aggregate consideration of about \$348,000.

Messrs. Austin, Brynelsen, Davis, John Addison McLallen and Vernon Taylor Jr. hold shares of Magnum Consolidated Mining Co. Ltd. (N.P.L.), the assets of which are to be acquired by the Company as referred to under "Formation of the Company" on page 4, as follows:

<u>Name of Shareholder</u>	<u>Number of Shares Owned</u>	<u>Percentage of Outstanding Shares Held</u>
JACOB AUSTIN	147,870	4.2
BERNARD ORLANDE BRYNELSEN	115,071	3.3
MERVIN EDWARD DAVIS	94,871	2.7
JOHN ADDISON MCLALLEN	100,000	2.9
VERNON TAYLOR JR.	147,075	4.2

Mr. Latham Cawthra Burns is an officer, director and shareholder of Burns Bros. and Denton Limited the Underwriter, as referred to under "Underwriting" on page 14.

Material Contracts

Particulars of material contracts entered into by the Company and its subsidiary from incorporation up to the date hereof, other than contracts in the ordinary course of business, are as follows:

- (1) Agreement dated June 3, 1968 between the Company and June Paramore and Jean McPherson, beneficiaries of the estate of the late Jean P. Champagne, whereby the Company purchased patent applications and other rights in respect of the Thermochem process referred to under "Sulphur" on page 8;
- (2) agreement dated March 1, 1968 between Chapman, Wood & Griswold Ltd. and the Company whereby Chapman, Wood & Griswold Ltd. agree to act exclusively on behalf of the Company in developing the Thermochem process and not to disclose or use any information acquired in this regard;
- (3) agreement dated February 15, 1969 between the Company and Benguet Consolidated, Inc. referred to under "Licence Agreements" on page 9;
- (4) agreement dated February 28, 1969 between the Company and Scurry-Rainbow Oil Limited referred to under "Licence Agreements" on page 9;
- (5) agreement dated July 26, 1968, between Gordon Ford, Frank Welters, Mervin E. Davis, Bernard O. Brynelsen, Jacob Austin, A. E. Turton and M. Menzies, as assignors, and the Company, as assignee, for the assignment to the Company of all the right, title and interest of the assignors in and to a contract for the purchase of the Sulphurdale property, in consideration of the reimbursement by the Company of the expenses incurred by the assignors in acquiring and holding the contract and in evaluating the property, and for the sale by the Company and the purchase by the assignors of 2,100,000 shares of the Company at a cash price of 14.3 cents per share; the contract so assigned provided for the purchase of the Sulphurdale property for a price of \$1,000,000 U.S. (\$1,075,000) of which \$500,000 U.S. (\$537,500) was payable in cash on or before closing and the balance secured by the Deed of Trust referred to in clause (12) below and the payment of the royalty referred to under the heading "Sulphurdale Property" on page 9; supplementary assignment dated March 28, 1969, pursuant to the aforesaid agreement dated July 26, 1968, by Gordon Ford, Frank Welters, Mervin E. Davis, Bernard O. Brynelsen, Jacob Austin, A. E. Turton and M. M. Menzies, as assignors, to the Company, as assignee, of all the right, title and interest of the assignors in the contract to purchase the Sulphurdale property and in that property; assignment dated March 28, 1969, by the Company to its wholly owned subsidiary, Thermochem Industries of America, Inc., of all the right, title and interest of the Company in the contract of sale in respect of the Sulphurdale property and in that property;
- (6) agreement dated March 28, 1969 between The Sulphurdale Chemical Company, a joint venture consisting of the Estate of D. B. Lewis, deceased, and Robert Gaston, Jack Heidt and Lucille Parker, in their representative capacity as Executors of the Estate of D. B. Lewis, and Lewis Food Company and Ernest L. Lewis and Helen Ruth Lewis, as sellers, and Thermochem Industries of America, Inc. amending the agreement of the Group and two other vendors pursuant to which Thermochem Industries of America Inc. purchased the Sulphurdale Property;
- (7) agreement between the Company, the Group and Econtech Ltd. dated June 20, 1969 providing terms of joint purchase and future action regarding Giant Mascot, referred to under "Other Interests" on page 12;
- (8) agreement dated October 28, 1968 between James W. Fair Trustee No. 2 and the Company relating to the Chocosuela sulphur property, Costa Rica, referred to under "Exploration and Development" on page 10;

- (9) agreement dated January 29, 1969 between Pascara Oils Limited, Central Pacific Sulphur Mines Limited and the Company relating to the Gongora sulphur property, Costa Rica, referred to under "Exploration and Development" on page 10;
- (10) agreement dated January 29, 1969 between Northcal Mines Ltd. and the Company providing that Northcal Mines Ltd. is entitled to a 15% interest in the entire net proceeds realized from the production of the properties described in the agreement referred to in clause (9) above;
- (11) agreement made October 22, 1968 between Majoneg Mining & Minerals Exploration Co., Inc. and Chapman, Wood & Griswold Ltd., as trustee for the Company under a declaration of trust dated October 22, 1968, referred to under "Exploration and Development" on page 10;
- (12) Deed of Trust dated May 1, 1969 between Thermochem Industries of America, Inc., and The Sulphurdale Chemical Company providing for the issue of a promissory note in the amount of \$500,000 U.S. secured by a first mortgage.
- (13) agreement dated June 3, 1969 between Magnum and the Company providing for the purchase of the assets of Magnum referred to under "Formation of the Company" on page 4 and an amendment thereto dated August 27, 1969;
- (14) agreement dated April 10, 1969 between Churchill and the Company referred to under "Churchill" on page 5 and an amendment thereto dated August 21, 1969;
- (15) agreement dated October 31, 1968 between Cadco Enterprises Ltd. and the Company referred to under "Exploration and Development" on page 7;
- (16) agreement made March 18, 1969 between the Company and Noranda Exploration Company, Limited assigning a one-half interest in the agreement referred to in clause (15) above;
- (17) agreement dated October 31, 1968 between North Pacific Mines Ltd. (N.P.L.), the Company and Comet Krain Mining Corp. Ltd. referred to under "Exploration and Development" on page 7;
- (18) agreement made March 18, 1969 between the Company and Noranda Exploration Company, Limited assigning a one-half interest in the agreement referred to in clause (17) above;
- (19) agreement dated November 1, 1968 between Gulf Titanium Limited (N.P.L.) and Bernard O. Brynelsen, Mervin E. Davis, Morris M. Menzies, Jack Austin as Trustees for the Company, and the Company referred to under "Exploration and Development" on page 8;
- (20) declaration dated June 11, 1969 whereby Messrs. Brynelsen, Davis, Menzies and Austin declare that the Company is the owner of the whole of the interest in the agreement referred to in clause (19) above;
- (21) agreement dated April 3, 1969 between Gordon Leliever, M. E. Davis and Associates, as Trustees for the Company, and Hearne Coppermine Explorations Limited (N.P.L.) providing for the acquisition by the Company of 290,600 shares of Hearne Coppermine Explorations Limited (N.P.L.);
- (22) agreement dated May 15, 1969 between the Company and Robert G. Annable providing for the acquisition by the Company of 25% of the issued shares of Ancore International Ltd. referred to on page 13;
- (23) agreement dated May 26, 1969 between E. P. Chapman, Jr., John A. Wood, Gilbert R. Griswold, Mal Hurd and Douglas Irving, CW & G and the Company, whereby the Company agreed to purchase all the outstanding shares of CW & G referred to under "Consulting Services and Reports of CW & G" on page 12 and the individual parties agreed to be employed by CW & G for a period of five years after the closing date and an amendment thereto dated August 27, 1969;

- (24) agreement dated May 30, 1969 between the Company and Nippon Mining Co. Ltd. providing for the purchase by the Company of 300,000 shares of Churchill referred to under "Churchill" on page 5 and an amendment by way of letter dated August 26, 1969;
- (25) agreement dated May 30, 1969 between the Company and the Group providing for the purchase by the Company of 614,796 shares of Giant Mascot for 215,178 shares of Brameda referred to under "Other Interests" on page 12 and an amendment by way of letter dated August 27, 1969;
- (26) agreement dated May 30, 1969 between the Group and the Company providing for the purchase by the Company of shares of Casino Silver Mines Ltd. (N.P.L.), Hearne Coppermine Explorations Limited (N.P.L.), Kismet Mining Corporation Ltd. (N.P.L.), Pinex Mines Limited (N.P.L.), Secondo Mining Ltd. (N.P.L.), Territory Mining Ltd. (N.P.L.) and Westland Mines Ltd. (N.P.L.) referred to under "Other Interests" on page 12 and an amendment by way of letter dated August 27, 1969;
- (27) agreement dated May 7, 1969 between the Company, Westland Mines Ltd. (N.P.L.) and Terra Nova Properties Limited under which the Company and Terra Nova are providing \$500,000 to Westland as referred to under "Other Interests" on page 12;
- (28) agreement dated June 6, 1969 between the Company and Pine Pass Coal Company Ltd. referred to under "Coal" on page 11;
- (29) agreement dated April 30, 1969 between the Company and Taseko Mines Ltd. (N.P.L.) referred to under "Exploration and Development" on page 7;
- (30) agreements dated May 26, 1969, between the Company and 16 individual employees regarding an Employee Share Purchase Plan referred to on page 17;
- (31) agreement dated June 20, 1969, between the Company and Casino Silver Mines Ltd. (N.P.L.) referred to under "Yukon" on page 8;
- (32) underwriting agreement dated September 4, 1969 between the Company and Burns Bros. and Denton Limited referred to under "Underwriting" on page 14;
- (33) option agreement dated September 4, 1969 between the Company and Burns Bros. and Denton Limited referred to under "Underwriting" on page 14.

Copies of the foregoing agreements may be examined during normal business hours at the head office of the Company and at the offices of Messrs. Milner & Steer, 10040-104th Street, Edmonton, Alberta, during the period of primary distribution of the securities offered by this prospectus and for a period of 30 days thereafter.

Auditors, Transfer Agent and Registrar, and Legal Opinions

The auditors of the Company are Peat, Marwick, Mitchell & Co., 900 West Hastings Street, Vancouver, British Columbia.

The transfer agent and registrar for the shares of the Company is Canada Permanent Trust Company at its principal offices in Toronto, 320 Bay St.; Montreal, 600 Dorchester Blvd. West; Vancouver, 455 Granville St.; Calgary, 315-8th Ave. S.W.; and Halifax, 1646 Barrington St.

Legal opinions in connection with the issue will be given by Messrs. Ainsworth, Henson, Norby, Purvis & Kendall and Messrs. Andrews, Swinton, Margach, Austin and Williams, both of Vancouver, on behalf of the Company and by Messrs. Tory, Tory, DesLauriers & Binnington, Toronto, on behalf of the Underwriters who will rely on the Company's counsel as to all matters of British Columbia law. Legal opinions in connection with the patent applications in respect of the Thermochem process have been given by Messrs. March, LeFever & Wyatt, New York City, N.Y.

Brameda Resources Limited
(formerly Thermochem Industries Limited)

Consolidated Balance Sheet and Pro Forma Combined Consolidated Balance Sheet
as at April 30, 1969

	Actual	Pro Forma (note 1)
Assets		
Current assets:		
Cash.....	\$ 282,147	\$ 8,130,865
Receivables:		
Associated companies.....	215,256	97,049
Directors.....	13,852	—
Trade and sundry.....	20,823	260,823
	<u>249,931</u>	<u>357,872</u>
Marketable securities, at cost (quoted market value \$65,250)....	—	50,722
Prepaid expenses.....	34,637	47,803
Total current assets.....	566,715	8,587,262
Non-current receivables:		
Loan to Churchill Copper Corporation Ltd. (note 9 (e)).....	500,000	1,000,000
Advances to Westland Mines Ltd. (N.P.L.) (note 9 (f)).....	—	250,000
Investment in shares of associated and other companies, at cost, (note 4) ..	110,000	7,641,672
Mineral claims, buildings and equipment (note 5).....	1,556,153	2,593,037
Process research and development (Schedule 1).....	1,093,593	1,093,593
Deferred exploration, development and other expenditures (Schedule 2)...	270,438	882,412
Deposit and costs related to property negotiations.....	38,241	38,241
	<u>\$4,135,140</u>	<u>\$22,086,217</u>

Liabilities and Shareholders' Equity

Current liabilities:		
Bank loan (note 9 (i)).....	\$ —	\$ 400,000
Accounts payable:		
Associated companies	119,516	174,120
Directors (note 5).....	127,615	127,615
Other.....	541,072	745,888
Mortgage payable (note 5).....	537,500	537,500
Total current liabilities.....	1,325,703	1,985,123
Shareholders' equity:		
Capital stock (note 6).....	3,017,628	20,384,285
Deficit	208,191	283,191
Total shareholders' equity.....	2,809,437	20,101,094
	<u>\$4,135,140</u>	<u>\$22,086,217</u>

Contingent liabilities and commitments (note 7)

Approved on behalf of the Board:

(Signed) M. E. DAVIS
Director

(Signed) J. R. CROLL
Director

The Notes to Consolidated Financial Statements on pages 25 to 30 both inclusive form an integral part of this statement.

Brameda Resources Limited
(formerly Thermochem Industries Limited)

Consolidated Statement of Deficit

**From the date of incorporation February 27, 1968
to April 30, 1969 (note 3)**

Loss on laboratory operations for the period.....	\$ 74,296
Costs relating to abandoned properties (Schedule 2).....	119,960
Incorporation expenses.....	13,935
	<u>\$208,191</u>

Consolidated Statement of Source and Application of Funds

**From the date of incorporation February 27, 1968
to April 30, 1969 (note 3)**

SOURCE OF FUNDS:

Funds received on the issue of capital stock.....	<u>\$3,017,628</u>
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APPLICATION OF FUNDS:

Acquisition of shares in associated companies.....	610,000
Process research and development costs (Schedule 1).....	1,093,593
Acquisition of Sulphurdale mineral claims, buildings and equipment..	1,531,326
Deferred exploration, development and other expenditures (Schedule 2).....	270,438
Laboratory equipment.....	29,107
Incorporation costs.....	13,935
Loss on laboratory operations.....	\$74,296
Less depreciation included therein.....	<u>4,280</u>
	70,016
Deposit and costs related to property negotiations.....	38,241
Costs relating to abandoned properties.....	119,960
	<u>3,776,616</u>

Working capital deficiency.....	<u>\$ 758,988</u>
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Schedule 1

**Consolidated Statement of Process
Research and Development Costs**

**From the date of incorporation February 27, 1968
to April 30, 1969 (note 3)**

Patent acquisition and application costs.....	\$ 16,294
Research and development fees.....	480,000
Consultant's fees.....	48,723
Salaries and benefits.....	18,500
Interest.....	8,700
Communications.....	2,700
Travel.....	59,200
Legal and accounting.....	64,000
Ore testing and drilling.....	11,600
Ore transportation and handling.....	37,900
Pilot plant materials and supplies.....	90,100
Pilot plant machinery and equipment.....	242,200
General.....	13,676
	<u>\$1,093,593</u>

The Notes to Consolidated Financial Statements on pages 25 to 30 both inclusive form an integral part of this statement.

Brameda Resources Limited
(formerly Thermochem Industries Limited)

Schedule 2

**Consolidated Statement of Deferred Exploration,
Development and Other Expenditures**

**From the date of incorporation February 27, 1968
to April 30, 1969 (note 3)**

EXPLORATION AND DEVELOPMENT:

Costa Rica:

Administration.....	\$12,346	
Salaries and benefits.....	30,017	
Consultant's fees.....	37,838	
Camp and equipment expenses.....	19,961	
Travel.....	1,000	
Supplies and tools.....	3,246	
General.....	2,155	
Legal.....	1,945	108,508

Philippines:

Consultant's fees and expenses.....		24,100
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Sulphurdale Properties:

Millard and Beaver Counties, Utah:

Consultant's fees and expenses.....	49,025	
Drilling.....	10,000	
Equipment rentals.....	24,000	
Survey.....	13,000	
Seismic.....	5,300	
General.....	2,860	104,185
		<u>236,793</u>

ADMINISTRATION:

Salaries and benefits.....	3,900	
Interest.....	5,145	
Legal and accounting.....	23,180	
Travel.....	10,167	
Consultant's fees, unallocated.....	4,051	
General.....	2,202	
	<u>48,645</u>	
Less royalties and management fees received.....	15,000	33,645
		<u>\$270,438</u>

EXPENDITURES RELATING TO ABANDONED PROPERTIES:

Exploration and development:

Salaries and benefits.....	\$ 3,274
Consultant's fees.....	65,861
Camp and equipment expenses.....	3,264
Travel.....	3,311
Supplies and tools.....	2,233
General.....	1,963
Legal.....	1,000
Drilling.....	12,097
Option payment.....	10,756
	<u>103,759</u>

Administration:

Salaries.....	2,064
Interest.....	1,037
Legal and accounting.....	7,706
Travel.....	5,096
General.....	298
	<u>16,201</u>
	119,960
Less expenditures charged to deficit.....	119,960

\$270,438

The Notes to Consolidated Financial Statements on pages 25 to 30 both inclusive form an integral part of this statement.

Brameda Resources Limited
(formerly Thermochem Industries Limited)

Notes to Consolidated Financial Statements
as at April 30, 1969

1. The pro forma combined consolidated balance sheet gives effect, as at April 30, 1969, to the following:
 - (a) the consolidation of the Company's share capital, as more particularly referred to in note 6;
 - (b) the issue and sale of 1,340,000 shares of the Company for an aggregate cash consideration of \$10,813,800 pursuant to an underwriting agreement dated September 4, 1969 and the payment of expenses of the issue of \$75,000 charged to deficit;
 - (c) the receipt of \$84,000 cash in partial payment for the issue of 84,000 shares to key employees (note 9 (a));
 - (d) the acquisition of 25% of the issued share capital of Ancore International Ltd. (Ancore) and a minor affiliate in consideration of 105,000 shares issued at an ascribed value of \$1,050,000 (note 9 (b));
 - (e) the acquisition of all of the outstanding shares of Chapman, Wood & Griswold Ltd. (CW & G) for a consideration of \$200,000 and 105,000 shares to be issued at an ascribed value of \$59,630, based on the equity value of the shares being acquired (note 9 (c)) and the combination of the consolidated assets and liabilities of CW & G, as shown by the consolidated balance sheet of that company as of April 30, 1969 which appears elsewhere in this prospectus, with those of the Company;
 - (f) the acquisition of the assets and the assumption of the liabilities of Magnum Consolidated Mining Co. Ltd. (N.P.L.) (Magnum) for a consideration of 1,400,000 shares to be issued at an ascribed value equal to the book value of the net assets being acquired (note 9 (d)), and for purposes of this pro-forma balance sheet the combination of the consolidated assets and liabilities (including a bank loan of \$400,000) of Magnum, as shown by the consolidated balance sheet of that company as of April 30, 1969 which appears elsewhere in this prospectus, with those of the Company;
 - (g) the acquisition of 442,858 shares of Churchill Copper Corporation Ltd. (Churchill) as follows (note 9 (e));
 - (i) 142,858 shares acquired upon conversion of a loan to Churchill of \$1,000,000, of which amount \$500,000 was outstanding at April 30, 1969 and a further amount was advanced on May 29, 1969,
 - (ii) 300,000 shares to be acquired for a consideration of \$1,400,000 and 70,000 shares to be issued at an ascribed value of \$700,000;
 - (h) a loan to Churchill of \$1,000,000 (note 9(e));
 - (i) an advance of \$250,000 to Westland Mines Ltd. (N.P.L.) (Westland) (note 9 (f));
 - (j) the acquisition of shares of other companies in consideration of 70,000 shares issued at an ascribed value of \$700,000 on the basis described in note 9 (g);
 - (k) the acquisition of 614,796 shares of Giant Mascot Mines Ltd. (Giant Mascot) in consideration of 215,178 shares to be issued at an ascribed value of \$2,151,780 (note 9 (h));
 - (l) the receipt of \$118,372 cash to pay up certain share capital (note 6);
 - (m) the receipt of \$150,500 cash for 15,050 shares; and
 - (n) the receipt of \$13,852 cash from directors.

Upon completion of the transactions in (g) above and upon the acquisition of the Magnum assets, which include 569,000 shares of Churchill, the Company will hold 1,011,858 shares of Churchill.

The pro forma balance sheet and notes to these financial statements should be read in conjunction with the notes to the consolidated financial statements of Magnum as of April 30, 1969 appearing elsewhere in this prospectus.

2. PRINCIPLES OF CONSOLIDATION:

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries, namely: Seymour Laboratory Ltd., Atlin Industries Ltd., Thermochem Industries of America Inc., Thermo-Tico Industries, S.A., and two inactive subsidiaries, Sechelt Sand & Gravel Ltd. and Choqua Oil Co. Ltd.

The accounts recorded in foreign currencies have been restated in Canadian dollars. Current assets and current liabilities have been translated into Canadian currency at the approximate rates prevailing at April 30, 1969. Other assets and liabilities have been converted at substantially the rates prevailing at the dates of the relevant transactions.

Included in the consolidation are the net current assets of a wholly-owned Costa Rican subsidiary company amounting to \$88,122, which are subject to the exchange restrictions of that country.

3. FISCAL PERIOD:

The Company was incorporated on February 27, 1968. There were no significant operations carried on by the Company or its subsidiary companies prior to May 1, 1968 and accordingly, the consolidated financial statements include the operating results for the period from the date of incorporation to April 30, 1969.

4. INVESTMENT IN SHARES OF ASSOCIATED AND OTHER COMPANIES, AT COST:

Associated Companies:	Shares		Cost	Quoted value of shares not subject to escrow June 20, 1969
	Escrow	Not subject to Escrow		
Actual:				
Hearne Coppermine Explorations Limited (N.P.L.) (Hearne) acquired for cash.....	270,600	20,000	\$ 110,000	\$ 32,000
Add Pro forma:				
Churchill (Note 9 (e)).....	—	1,011,858	3,587,332	7,791,000
Giant Mascot.....	—	614,796	2,151,780	1,598,000
Casino Silver Mines Ltd. (N.P.L.) (Casino).....	306,190	143,810	700,000	628,000
Hearne.....	243,333	—		
Kismet Mining Corporation Ltd. (N.P.L.) (Kismet).....	325,000	271,000		
Pinex Mines Limited (N.P.L.) (Pinex).....	777,730	206,500		
Secondo Mining Ltd. (N.P.L.) (Secondo).....	200,000	90,000		
Territory Mining Ltd. (N.P.L.) (Territory).....	266,667	283,333		
Westland (not associated).....	98,750	26,250	1,050,000	No quoted value
(See Notes 9(g) and 9(h))				
Ancore and a minor affiliate.....	—	(see below)		
Other Companies:				
Pro forma:				
Ionarc Smelters Ltd. (Ionarc).....	—	45,000	22,500	337,000
Muskox Mines Limited (Muskox) ..	—	75,562	20,060	No quoted value
			<u>\$7,641,672</u>	

The quoted values of the above shares not subject to escrow are provided as a matter of information, however they do not necessarily represent the value that would be received on disposal, because of the relatively large proportions of shares held.

The Company owns 25 class A and 2,500 class B shares of Ancore, a private company, representing 25% of the issued and outstanding shares of each class.

The following table, which is provided as a matter of information only and which should not be considered as an indication of the worth of the respective investments, sets out on a pro forma basis the Company's proportion of shareholders' equity together with the percentages owned of the share capital of associated companies which are public companies, based on the most recent audited financial statements available, (adjusted for treasury stock issued subsequent to the date of the financial statements in the case of Churchill) are as follows:

	Approximate percentage of shares held	Approximate proportion of shareholders' equity	Date of most recent audited financial statement
Churchill.....	39%	\$1,530,000	January 31, 1969
Hearne.....	26%	470,000	December 31, 1968
Giant.....	13%	600,000	September 30, 1968
Casino.....	16%	165,000	November 30, 1968
Kismet.....	31%	77,000	March 31, 1969
Pinex.....	42%	190,000	February 28, 1969
Secondo.....	22%	34,000	September 30, 1968
Territory.....	34%	75,000	January 31, 1969

In the event that the Company provides the additional loans and exercises the option of converting these loans into shares of Churchill pursuant to the terms of the financing agreement referred to in Note 9(e) and exercises the right to purchase treasury shares as referred to in Note (6) to the Financial Statements of Churchill appearing elsewhere in this prospectus, the Company would hold approximately 48% of the issued shares of Churchill.

5. MINERAL CLAIMS, BUILDINGS AND EQUIPMENT:

Sulphurdale mineral claims, buildings and equipment at cost (note 7).....	\$1,531,326
Other equipment, at cost less depreciation of \$4,280.....	24,827
	<u>\$1,556,153</u>

Title to the property is subject to a mortgage securing \$537,500 (\$500,000 U.S.) bearing interest at 6% per annum which is payable on or before December 31, 1969.

Included in amounts payable to directors is an amount of \$119,432 which relates to the acquisition of the Sulphurdale property.

6. CAPITAL STOCK:

As at April 30, 1969, the authorized and issued capital stock was as follows:

Authorized:

5,000,000 common shares without nominal or par value.

Issued for cash since incorporation on February 28, 1968:

3,000,002 shares at \$.10.....	\$ 300,000
1,200,000 shares at \$1.08.....	1,296,000
220,000 shares at \$7.00.....	1,540,000
<u>4,420,002</u>	<u>3,136,000</u>
Less unpaid thereon.....	118,372
	<u>\$3,017,628</u>

Subsequent to April 30, 1969, 370,000 shares were issued pursuant to the agreements referred to in Notes 9 (a), 9 (b), and 9 (g) at an ascribed value of \$7.00 a share. A further 21,500 shares were issued for cash at \$7.00 a share bringing the total shares issued and outstanding to 4,811,502 shares. In addition, the agreements referred to in Notes 9 (c), 9 (d), 9 (e) and 9 (h) have been entered into providing, among other things, for the issue of further shares.

On June 30, 1969, the 4,811,502 outstanding shares were consolidated on the basis of 7 shares for every 10 shares and the authorized share capital was increased to 10,000,000 shares.

Details of the share capital issued and to be issued are as follows:

	<u>Shares</u>	<u>Amount</u>
Issued for cash to April 30, 1969 (including \$118,372 received subsequent to April 30, 1969).....	4,420,002	\$3,136,000
Issued subsequent to April 30, 1969 before consolidation of share capital:		
To key employees less amount unpaid thereon (note 9 (a))	120,000	84,000
For cash at \$7.00 a share.....	21,500	150,500
For shares of Ancore and a minor affiliate (note 9 (b)) at an ascribed value of \$7.00 a share.....	150,000	1,050,000
For shares of associated companies (note 9 (g)), at an ascribed value of \$7.00 a share.....	100,000	700,000
	<u>4,811,502</u>	<u>\$ 5,120,500</u>
Shares outstanding after consolidation of share capital.....	3,368,050	\$ 5,120,500
Shares to be issued pursuant to the agreements referred to in notes 9 (c), 9 (d), 9 (e) and 9 (h);		
As partial consideration for the shares of CW & G (note 9 (c)).....	105,000	59,630
As consideration for the assets less liabilities of Magnum (note 9 (d)) (pro forma as at April 30, 1969).....	1,400,000	1,538,575
As partial consideration for 300,000 shares of Churchill, (note 9 (e)).....	70,000	700,000
As consideration for 614,796 shares of Giant Mascot (note 9 (h)).....	215,178	2,151,780
For cash received pursuant to an under-writing agreement dated September 4, 1969.....	1,340,000	10,813,800
	<u>6,498,228</u>	<u>\$20,384,285</u>

An option exercisable on or before March 4, 1973, has been granted to Burns Bros. and Denton Limited, as underwriters, to purchase 130,000 shares at a price of \$8.50 per share.

7. CONTINGENT LIABILITIES AND COMMITMENTS:

- (a) Agreements have been entered into relating to mineral claims located in Costa Rica, the Philippines, the Yukon Territory and the Provinces of British Columbia and Quebec. In order to keep these agreements in good standing the Company is currently committed to make minimum exploration expenditures of approximately \$800,000. All of the agreements contain provisions under which the Company may elect to make further exploration expenditures and may also elect to bring the properties into production.
- (b) Patents pending on the sulphur ore refining process are subject to a royalty of $\frac{1}{3}$ of 1% of the selling price per ton of sulphur produced by the use of the process but not less than \$10,750 per annum.
- (c) The Sulphurdale property is subject to an obligation to pay \$2.15 a long ton on the first 500,000 tons of sulphur produced and sold from the property.
- (d) Reference is made to note 9 for additional commitments.

8. MANAGEMENT CHARGES:

\$19,663 has been paid to an associated company for management services during the period from incorporation to April 30, 1969 including remuneration paid to one of the directors of the Company of \$12,000. No direct or other indirect remuneration has been paid by the Company to its directors or senior officers.

9. TRANSACTIONS SUBSEQUENT TO APRIL 30, 1969:

(a) Employee share purchase agreements:

Share purchase agreements have been granted to key employees for 120,000 shares (84,000 after share consolidation) at \$7.00 a share payable 10% per annum commencing in 1969, with the balance payable in 1974. Shares issued pursuant to the agreements are deposited in escrow to be released on receipt of payment for the shares in full, at any time subsequent to November 30, 1970.

(b) Ancore:

By an agreement date May 15, 1969, 150,000 shares (105,000 after share consolidation) were issued at an ascribed value of \$7.00 a share to acquire 25% of the issued share capital of Ancore and of a minor affiliate.

(c) CW & G:

By an agreement dated May 26, 1969, subject only to completion of an underwriting to net the Company not less than \$7,500,000, the Company agreed to purchase all the shares of CW & G for \$200,000 cash and 105,000 shares (after share consolidation) at an ascribed value which, together with the \$200,000, is equal to the equity value of the shares being acquired as shown by the consolidated financial statements of CW & G as of April 30, 1969.

(d) Magnum:

An agreement dated June 3, 1969, has been entered into with Magnum to acquire all of the assets (which include 569,000 shares of Churchill), and to assume all of the liabilities of Magnum in consideration for 1,400,000 shares (after share consolidation) at an ascribed value equal to the book value of the assets less liabilities being acquired as of the date of closing, which shall not be later than September 30, 1969. The agreement is subject to the completion of an underwriting to net the Company not less than \$7,500,000.

(e) Churchill:

Loans totalling \$1,000,000 to May 29, 1969, (\$500,000 at April 30, 1969) have been made and converted on May 29, 1969 into 142,858 shares at \$7.00 per share pursuant to the terms of a financing agreement with Churchill. The Company has since made a further loan of \$500,000 and is committed to provide an additional loan of \$500,000 by September 30, 1969 and has the option to provide a further \$800,000 by the same date, all of which may be converted to shares at \$7.00 per share in accordance with the terms of the agreement. The agreement also grants certain rights to the Company relating to the provision of further equity or debt financing.

An agreement dated May 30, 1969 has been entered into with Nippon Mining Co. Ltd. to acquire 300,000 shares of Churchill for \$1,400,000 payable September 22, 1969 and 70,000 shares (after share consolidation) to be issued at an ascribed value of \$10.00 per share.

(f) Westland:

The Company and Terra Nova Properties Limited, each as to 50%, have entered into a financing agreement with Westland dated May 7, 1969, under which they are committed to advance \$500,000 and have the option to provide \$1,500,000 additional advances over the period ending November 1, 1970. All the advances may be converted at the option of the Company and Terra Nova into shares of Westland at \$1.25 per share in accordance with the terms of the agreement. The agreement also grants certain rights to the Company and Terra Nova relating to the provision of further equity or debt financing.

- (g) By an agreement dated May 30, 1969, the Company has acquired from Messrs. Brynelsen, Davis, Menzies and Austin, four directors of the Company, substantially all of their shareholdings in the companies in the amounts set forth below:

	<u>Shares</u>
Casino.....	450,000
Hearne.....	243,333
Kismet.....	596,000
Pinex.....	984,230
Secondo.....	290,000
Territory.....	550,000
Westland.....	125,000

Transfers of the shares to the Company are subject to the receipt of favourable rulings from the respective Securities Commissions and Stock Exchanges. The vendors must deliver the stock to the Company on or before September 30, 1969 and failing delivery must satisfy any deficiency in accordance with the terms of the agreement.

The Company has issued 100,000 shares (70,000 after share consolidation) as consideration therefore at an ascribed value per share of \$7.00. These shares are to be held in trust pending delivery of the shares acquired from the vendors.

- (li) The Company has also entered into an agreement, dated May 30, 1969, with Messrs. Brynelsen, Davis, Menzies and Austin, subject to the completion of an underwriting to net the Company not less than \$7,500,000, to acquire 614,796 shares of Giant Mascot for 215,178 shares (after share consolidation) at an ascribed value of \$10.00 per share.
- (i) Bank loans have been incurred subsequent to April 30, 1969 in the amount of \$2,250,000 of which \$2,000,000 is partially secured by the shares of Churchill referred to in Note 9 (e).

Auditors' Report

To the Directors of

BRAMEDA RESOURCES LIMITED

We have examined the consolidated balance sheet and pro forma combined consolidated balance sheet of Brameda Resources Limited as at April 30, 1969 and the consolidated statements of deficit, and source and application of funds for the period from incorporation February 27, 1968 to April 30, 1969. Our examination of the financial statements of the company and its subsidiaries included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. In respect to the assets and liabilities of Magnum Consolidated Mining Co. Ltd. (N.P.L.) and its subsidiaries we have relied on the report of the auditors who have examined the consolidated financial statements of that company.

In our opinion:

- (a) the accompanying consolidated balance sheet presents fairly the position of Brameda Resources Limited and its subsidiary companies as at April 30, 1969;
- (b) the accompanying pro forma combined consolidated balance sheet presents fairly the financial position of Brameda Resources Limited and its subsidiary companies after giving effect to the changes set forth in note 1;
- (c) the accompanying consolidated statements of deficit and source and application of funds present fairly the results of their operations and the source and application of their funds for the period February 27, 1968 to April 30, 1969;

all in accordance with generally accepted accounting principles consistently applied.

Vancouver, B.C.
September 4, 1969

(Signed) PEAT, MARWICK, MITCHELL & Co.
Chartered Accountants

**Magnum Consolidated Mining Co. Ltd. (N.P.L.)
and Subsidiary Companies**

**Consolidated Balance Sheet
as at April 30, 1969**

Assets

CURRENT ASSETS:

Cash.....	\$ 3,631
Accounts receivable.....	79,480
Advances to affiliated companies.....	30,500
Supplies inventory, at cost.....	2,666
Prepaid expenses.....	1,112
	<u>117,389</u>

INVESTMENT IN OTHER COMPANIES:

Churchill Copper Corporation Ltd.— 569,000 shares, at cost (quoted market value — \$5,007,200) (Note 2).....	487,332
Ionarc Smelters Ltd.— 45,000 shares, at cost (no quoted market value) (Note 3).....	22,500
Muskox Mines Limited— 75,592 shares, at cost (no quoted market value).....	20,060
Others, at nominal value.....	2
	<u>529,894</u>

MINERAL CLAIMS AND OPTION AGREEMENTS:

Mineral claims, at cost.....	161,065
Payments under option agreements, at cost (Note 4).....	13,882
	<u>174,947</u>

FIXED ASSETS, at cost (Note 5):

Mill.....	696,266
Machinery and equipment.....	26,974
Construction in progress.....	117,167
	<u>840,407</u>

EXPLORATION AND DEVELOPMENT IN PROGRESS, at cost.....	611,974
	<u>\$2,274,611</u>

Liabilities and Shareholders' Equity

CURRENT LIABILITIES:

Bank loan (secured).....	\$ 400,000
Accounts payable and accrued liabilities.....	132,725
Amounts owing to affiliated companies.....	203,311
	<u>736,036</u>

SHARE CAPITAL:

Authorized— 5,000,000 common shares without nominal or par value.....	
Issued and fully paid— 3,498,107 shares (250,000 shares issued during the year for cash).....	3,226,766

CAPITAL DEFICIT—per statement attached.....	1,688,191
	<u>1,538,575</u>
	<u>\$2,274,611</u>

COMMITMENT (Note 6)

Approved on behalf of the Board:

(Signed) M. E. DAVIS
Director

(Signed) J. AUSTIN
Director

The Notes to Consolidated Financial Statements on pages 34 and 35 form an integral part of this statement.

**Magnum Consolidated Mining Co. Ltd. (N.P.L.)
and Subsidiary Companies**

**Consolidated Statement of Exploration and Development Expenditures
for the five years ended April 30, 1969**

	1969	1968	1967	1966	1965
Cost of exploration and development in progress at beginning of year..	<u>\$270,791</u>	<u>\$102,342</u>	<u>\$ —</u>	<u>\$119,821</u>	<u>\$175,477</u>
ADD—					
Expenditures during the year:					
Exploration—					
Camp expenses.....	15,871	8,025	3,591	6,004	6,815
Assaying.....	15,163	5,782	1,221	—	—
Consulting fees.....	74,721	55,862	19,375	—	—
Drilling.....	129,095	42,237	20,018	3,139	6,342
Engineering.....	11,310	40	2,694	—	—
Geological services.....	108,517	29,266	1,684	4,142	12,268
Surveying.....	27,891	11,276	12,531	—	—
Reproductions.....	4,386	557	54	—	—
Equipment rental.....	12,788	1,537	6,970	949	3,372
Road construction.....	3,898	3,308	2,484	—	—
Travel.....	65,015	29,514	5,316	4,888	12,121
Vehicle expense.....	5,550	4,661	—	—	—
Claim staking and recording.	4,029	13,246	3,948	—	—
Prospectors' fees and supplies	2,473	3,173	3,374	—	2,049
Mine rehabilitation.....	22	4,751	—	—	—
Advances to Racicot syndicate	733	286	6,942	—	—
Miscellaneous.....	10,042	2,944	2,042	1,604	4,567
	<u>491,504</u>	<u>216,465</u>	<u>92,244</u>	<u>20,726</u>	<u>47,534</u>
Administration—					
Legal and audit.....	16,600	31,557	5,863	650	1,269
Advertising.....	69	1,789	—	—	—
Aircraft.....	1,816	—	—	—	—
Interest and exchange.....	16,706	7,779	782	—	—
General.....	11,300	2,318	522	232	1,820
Insurance.....	1,486	262	191	—	—
Rent.....	2,330	1,444	—	—	—
Salaries.....	51,365	10,158	—	—	—
Telephone and telex.....	1,442	1,972	—	—	—
Travel.....	9,024	7,388	—	—	—
Transfer fees and expenses...	5,686	4,092	3,468	1,874	825
Office services and accommodation.....	—	—	6,914	6,031	7,554
	<u>117,824</u>	<u>68,759</u>	<u>17,740</u>	<u>8,787</u>	<u>11,468</u>
	<u>880,119</u>	<u>387,566</u>	<u>109,984</u>	<u>149,334</u>	<u>234,479</u>
DEDUCT—					
Cost of exploration included as part of consideration for shares received in Churchill Copper Corporation Ltd.....	—	—	—	119,487	—
Cost of exploration and development terminated during the year.....	<u>268,145</u>	<u>116,775</u>	<u>7,642</u>	<u>29,847</u>	<u>114,658</u>
Cost of exploration and development in progress at end of year	<u><u>\$611,974</u></u>	<u><u>\$270,791</u></u>	<u><u>\$102,342</u></u>	<u><u>\$ —</u></u>	<u><u>\$119,821</u></u>

The Notes to Consolidated Financial Statements on pages 34 and 35 form an integral part of this statement.

**Magnum Consolidated Mining Co. Ltd. (N.P.L.)
and Subsidiary Companies**

**Consolidated Statement of Capital Deficit
for the five years ended April 30, 1969**

	1969	1968	1967	1966	1965
Opening balance.....	\$1,392,390	\$1,324,449	\$1,396,040	\$1,395,223	\$1,282,001
ADD—					
Expenses applicable to exploration and development terminated during the year.....	268,145	116,775	7,642	29,847	114,658
Write-down of investment in Teddy Glacier Mines Ltd. to nominal value.....	—	—	—	—	29,999
Mineral claims and options written off.....	33,220	—	—	—	—
	<u>1,693,755</u>	<u>1,441,224</u>	<u>1,403,682</u>	<u>1,425,070</u>	<u>1,426,658</u>
DEDUCT—					
Investment income.....	3,414	2,808	1,976	175	500
Gain on sale of investments (net)	—	46,026	77,257	28,855	30,935
Gain on sale of claims.....	2,150	—	—	—	—
	<u>5,564</u>	<u>48,834</u>	<u>79,233</u>	<u>29,030</u>	<u>31,435</u>
CLOSING BALANCE.....	<u>\$1,688,191</u>	<u>\$1,392,390</u>	<u>\$1,324,449</u>	<u>\$1,396,040</u>	<u>\$1,395,223</u>

**Consolidated Statement of Source and Application of Working Capital
for the five years ended April 30, 1969**

	1969	1968	1967	1966	1965
Working capital, beginning of year..	\$ 209,549	\$ 33,741	\$ 119,225	\$ 169,383	\$ 215,729
SOURCE:					
Sale of common shares.....	812,500	692,500	—	—	—
Gain on sale of investments....	—	46,026	77,257	28,855	30,935
Gain on sale of claims.....	2,150	—	—	—	—
Investment income.....	3,513	2,808	1,976	175	500
Recoverable deposits for prospecting licences.....	—	—	—	—	3,040
	<u>818,163</u>	<u>741,334</u>	<u>79,233</u>	<u>29,030</u>	<u>34,475</u>
APPLICATION:					
Exploration and development expenditures.....	609,328	285,224	109,972	29,188	50,821
Mineral claims and option agreements.....	23,965	152,802	6,400	—	—
Purchase of shares in—					
Teddy Glacier Mines Ltd..	—	—	—	—	30,000
Churchill Copper Corporation Ltd.....	150,000	112,500	43,345	50,000	—
Ionarc Smelters Ltd.....	2,500	15,000	5,000	—	—
Muskox Mines Limited....	20,060	—	—	—	—
Purchase of fixed assets.....	840,407	—	—	—	—
	<u>1,646,260</u>	<u>565,526</u>	<u>164,717</u>	<u>79,188</u>	<u>80,821</u>
Increase (decrease) in working capital.....	<u>(828,097)</u>	<u>175,808</u>	<u>(85,484)</u>	<u>(50,158)</u>	<u>(46,346)</u>
Working capital (deficiency), end of year.....	<u>(\$ 618,548)</u>	<u>\$ 209,549</u>	<u>\$ 33,741</u>	<u>\$ 119,225</u>	<u>\$ 169,383</u>

The Notes to Consolidated Financial Statements on pages 34 and 35 form an integral part of this statement.

**Magnum Consolidated Mining Co. Ltd. (N.P.L.)
and Subsidiary Companies**

**Notes to Consolidated Financial Statements
as at April 30, 1969**

1. The consolidated financial statements include the financial statements of the company and all of its subsidiaries, Magnum Mining Company, Planet Mines Limited and one inactive subsidiary, Southgate Explorations Limited (N.P.L.).

For purposes of inclusion in the financial statements, accounts prepared in foreign currencies have been restated in Canadian dollars. Current assets and current liabilities have been translated at year-end rates, other assets and liabilities substantially at the rates at the dates of the relevant transactions, and amounts appearing in the consolidated statement of exploration and development expenditures at average rates of exchange for the year.

2. During the year ended April 30 1968, the company sold 150,000 shares of Churchill Copper Corporation Ltd. to the International Bank and Financial Corporation, Panama. Under the terms of the sale, the purchaser granted to the company a voting trust in respect of such shares for a period of five years from May 17 1967 together with a right to repurchase the shares at any time during such period at their then prevailing market price. 30,000 of these shares were repurchased during the current year. Subsequent to April 30, 1969, under an agreement dated June 3, 1969, the Company assigned to Brameda Resources Limited its right to repurchase the remaining 120,000 shares.
3. Shares of Ionarc Smelters Ltd. became listed on the Vancouver Stock Exchange on May 2 1969.
4. Under a mining lease and option agreement dated February 14 1969, a wholly-owned subsidiary obtained the right to purchase 23 mineral claims situated in the Owens Mining District, Arizona for \$40,000 U.S., of which \$1,000 U.S. was paid during the current year. Minimum payments under the terms of the agreement are as follows:—

June 15 1969	\$ 1,000 U.S.
1970	8,000 U.S.
1971	10,000 U.S.
1972	10,000 U.S.
1973	10,000 U.S.

The agreement can be terminated at any time by the subsidiary.

Under a mining lease and option agreement dated February 28 1969 a wholly-owned subsidiary obtained the right to purchase 50 mineral claims situated in the Owens Mining District, Arizona for \$400,000 U.S., of which \$5,000 U.S. was paid during the current year. Minimum payments under the terms of the agreement are as follows:—

August 18 1969	\$ 5,000 U.S.
1970	10,000 U.S.
1971	10,000 U.S.
1972	20,000 U.S.
1973	30,000 U.S.
1974 and subsequent years	10,000 U.S., continuing until the agreement is terminated or the option is exercised. The agreement can be terminated at any time by the subsidiary.

5. During the year ended April 30 1969, a wholly-owned subsidiary purchased an ore concentrator mill, including all power and ancillary facilities, for \$650,000 U.S. which, together with site preparation and dismantling costs, is shown on the balance sheet.

In addition, the subsidiary has either entered into or is presently finalizing lease agreements for mining equipment costing \$675,897 U.S. which call for the following payments:—

Paid April 23 1969	\$25,000 U.S.
Payable May 23 1969	25,000 U.S.
Payable June 23 1969	25,000 U.S.
Payable July 23 1969	25,000 U.S.

The balance of \$575,897 U.S. is payable in monthly lease payments of $2\frac{1}{2}\%$ of the balance. All monies paid may apply toward the purchase price of the equipment except for an amount equal to 9% simple interest.

6. Under an agreement dated October 16 1968 the company is committed either:—
 - (1) to pay \$200,000 out of the net smelter returns of properties owned by a wholly-owned subsidiary, or
 - (2) to issue 40,000 shares of Magnum Consolidated Mining Co. Ltd. (N.P.L.) to Mr. R. A. Martin, prospector, with respect to the acquisition of certain properties by the wholly-owned subsidiary. Approval of the issue of these shares has been requested from the Vancouver Stock Exchange.
7. At a shareholders' meeting held June 30, 1969 approval was given to an agreement dated June 3, 1969 under which the Company agreed to sell to Brameda Resources Limited in exchange for 1,400,000 treasury shares of Brameda, the net assets of the Company at an ascribed value equal to the book value of the assets less liabilities being acquired, at the date of closing for the agreement which shall not be later than September 30, 1969. The agreement is subject to the completion of an underwriting to net Brameda Resources Limited not less than \$7,500,000.
8. The Company jointly and severally with Brameda Resources Limited has arranged to borrow up to \$2,250,000 from a bank and has pledged 369,000 shares of Churchill Copper Corporation Ltd. as collateral.

Auditors' Report

To the Directors of
MAGNUM CONSOLIDATED MINING CO. LTD. (N.P.L.):

We have examined the consolidated balance sheet of Magnum Consolidated Mining Co. Ltd. (N.P.L.) and its subsidiaries as at April 30 1969, and the consolidated statements of exploration and development expenditures, capital deficit and source and application of working capital for the five years then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at April 30 1969 and the results of their operations and the source and application of their working capital for the five years then ended, all in accordance with generally accepted accounting principles consistently applied.

Vancouver, B.C.
September 2, 1969

(Signed) PRICE, WATERHOUSE & Co.
Chartered Accountants

Chapman, Wood & Griswold Ltd.

**Consolidated Balance Sheet
as at April 30, 1969**

Assets

CURRENT ASSETS:

Cash and short-term deposits.....	\$ 89,563
Marketable securities, at cost (quoted market value \$65,250).....	50,722
Receivables:	
Trade.....	128,048
Employees and other.....	7,093
	<u>135,141</u>
Unbilled contract costs.....	6,539
Prepaid expenses.....	9,386
Total current assets.....	<u>291,351</u>

DUE FROM EMPLOYEES' PROFIT SHARING PLAN..... 41,170

CASH HELD IN TRUST, PER CONTRA..... 12,779

EQUIPMENT AND FURNISHINGS, AT COST LESS DEPRECIATION:

Equipment.....	17,399
Furniture and fixtures.....	14,892
Automobiles.....	6,658
Leasehold improvements.....	4,082
	<u>43,031</u>
Less accumulated depreciation.....	21,501
Net equipment and furnishings.....	<u>21,530</u>
	<u>\$366,830</u>

Liabilities and Shareholders' Equity

CURRENT LIABILITIES:

Accounts payable.....	\$ 16,194
Accrued expenses.....	51,328
Income taxes payable.....	26,899
Total current liabilities.....	<u>94,421</u>

TRUST FUNDS HELD ON BEHALF OF CLIENTS, PER CONTRA..... 12,779

SHAREHOLDERS' EQUITY:

Capital stock (Note 2):	
Common shares of no par value. Authorized 10,000 shares; issued 430 shares...	23,050
Retained earnings, per accompanying statement.....	236,580
Total shareholders' equity.....	<u>259,630</u>
	<u>\$366,830</u>

Approved on behalf of the Board:

(Signed) E. P. CHAPMAN JR.
Director

(Signed) JOHN A. WOOD
Director

The Notes to Consolidated Financial Statements on page 37 form an integral part of this statement.

Chapman, Wood & Griswold Ltd.

Consolidated Statement of Earnings and Retained Earnings for the five years and ten months ended April 30, 1969

	Ten months ended April 30		Year ended June 30				
	1969	1968	1968	1967	1966	1965	1964
		(unaudited)					
Revenue.....	\$770,085	\$500,628	\$648,516	\$646,624	\$564,613	\$293,113	\$203,146
Expenses.....	644,144	434,854	558,090	614,447	525,785	273,992	191,936
Earnings before depreciation and income taxes.....	125,941	65,774	90,426	32,177	38,828	19,121	11,210
Depreciation.....	6,516	2,502	3,205	2,775	3,061	2,568	2,423
Earnings before income taxes.....	119,425	63,272	87,221	29,402	35,767	16,553	8,787
Income taxes.....	47,299	23,212	33,546	5,986	7,611	3,452	1,830
Earnings before extraordinary items.....	72,126	40,060	53,675	23,416	28,156	13,101	6,957
Extraordinary items (Note 1):							
Dividends received from Chapman, Wood, Griswold & Evans Pty. Ltd.		9,958	9,958	3,801			
Gain on sale of investments in Chapman, Wood, Griswold & Evans Pty. Ltd.....	16,906						
Net earnings.....	89,032	50,018	63,633	27,217	28,156	13,101	6,957
Retained earnings at beginning of period.	147,548	83,915	83,915	60,915	32,759	19,658	12,701
Dividend paid.....				(4,217)			
Retained earnings at end of period.....	<u>\$236,580</u>	<u>\$133,933</u>	<u>\$147,548</u>	<u>\$ 83,915</u>	<u>\$ 60,915</u>	<u>\$ 32,759</u>	<u>\$ 19,658</u>

The Notes to Consolidated Financial Statements below form an integral part of this statement.

Notes to Consolidated Financial Statements as at April 30, 1969

1. PRINCIPLES OF CONSOLIDATION:

The consolidated financial statements include the financial statements of the company and its wholly-owned subsidiary, Chapman, Wood & Griswold Inc. which commenced operations on October 1, 1968. In 1965, the company acquired a controlling interest in Chapman, Wood, Griswold & Evans Pty. Ltd. which was disposed of in 1969. The earnings of this subsidiary are not included in the consolidated statement of earnings and retained earnings except to the extent of dividends received and the gain on the sale of the investment.

The accounts recorded in foreign currencies have been restated in Canadian dollars. Current assets and current liabilities have been converted at the approximate rates prevailing at April 30, 1969. Other assets and liabilities have been converted at substantially the rates at the date of the relevant transactions. Income and expense items have been converted at the average rates prevailing for the respective periods.

2. CAPITAL STOCK:

In 1967 the company issued 25 shares in exchange for 2,500 shares of Chapman, Wood, Griswold & Evans Pty. Ltd., valued at \$4,375.

Auditors' Report

To the Directors of
CHAPMAN, WOOD & GRISWOLD LTD.

We have examined the consolidated balance sheet of Chapman, Wood & Griswold Ltd. as of April 30, 1969 and the consolidated statement of earnings and retained earnings for the five years and ten months then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the company and subsidiaries at April 30, 1969 and the results of their operations for the five years and ten months then ended, in accordance with generally accepted accounting principles applied on a consistent basis.

Vancouver, B.C.
September 4, 1969

(Signed) PEAT, MARWICK, MITCHELL & Co.
Chartered Accountants

Churchill Copper Corporation Ltd. (N.P.L.)

**Balance Sheets
as at January 31, 1969 and April 30, 1969**

Assets			
		April 30, 1969 \$ (Unaudited)	January 31, 1969 \$
CURRENT ASSETS:			
Cash.....		256,806	6,002
Accounts receivable.....		9,876	68,940
		<u>266,682</u>	<u>74,942</u>
MINERAL PROPERTIES (Notes 2 and 3).....		121,501	121,501
FIXED ASSETS — at cost less accumulated depreciation (Note 4).....		696,828	456,012
DEFERRED COSTS (Note 2).....		2,379,287	2,002,193
ORGANIZATION COSTS.....		808	808
		<u>3,465,106</u>	<u>2,655,456</u>
Liabilities			
CURRENT LIABILITIES:			
Accounts payable and accrued liabilities.....		629,800	320,150
DUE TO ASSOCIATED COMPANY (Note 5 (a)).....		500,000	
		<u>1,129,800</u>	<u>320,150</u>
Shareholders' Equity			
CAPITAL STOCK (Note 6):			
Authorized—			
3,000,000 common shares of no par value with a maximum consideration of \$4 each			
Issued and fully paid—			
2,300,000 common shares.....		2,317,115	2,317,115
CONTRIBUTED SURPLUS (Note 7).....		18,191	18,191
		<u>2,335,306</u>	<u>2,335,306</u>
		<u>3,465,106</u>	<u>2,655,456</u>

Approved on behalf of the Board:

(Signed) B. BRYNELSEN
Director

(Signed) J. AUSTIN
Director

The Notes to Financial Statements on pages 41 and 42 form an integral part of this statement.

Churchill Copper Corporation Ltd. (N.P.L.)

Statement of Deferred Costs

**for the period from December 4, 1964 (date of incorporation) to
January 31, 1969 and to April 30, 1969**

	Period ended September 30, 1966	Year ended September 30, 1967	Year ended September 30, 1968	Four months ended January 31, 1969	Three months ended April 30, 1969 (Unaudited)	Total
	\$	\$	\$	\$	\$	\$
Exploration, Development and Preproduction						
Assaying.....	205	169	11,631	9,605		21,610
Camp operation.....	9,695	54,557	159,417	119,685	32,857	376,211
Depreciation.....			32,395	11,109	8,331	51,835
Drilling.....	801	39,553	101,253	98,347	6,152	246,106
Engineering works and services.		24,667	91,884	38,381	3,204	158,136
Mine development.....	44,439	70,872	590,486	137,670	257,565	1,101,032
Supervisory consultants.....	4,688	3,485	58,113	70,591	7,522	144,399
Surveying.....	1,520	7,787	34,531	2,101		45,939
	<u>61,348</u>	<u>201,090</u>	<u>1,079,710</u>	<u>487,489</u>	<u>315,631</u>	<u>2,145,268</u>
Administration						
Accounting and audit.....	756	904	1,961	227	5,000	8,848
Insurance and taxes.....	2,150	1,267	1,908	5,586	573	11,484
Legal.....	2,467	5,977	11,383		5,000	24,827
Maintenance.....			709	2,795	2,526	6,030
Management.....	6,400	7,921	13,887	23,226	14,096	65,530
Miscellaneous.....	1,223	669	3,493	8,928	3,390	17,703
Postage, office and stationery..	1,564	428	3,538	2,152	2,161	9,843
Salaries.....		1,699	22,981	31,562	25,601	81,843
Shareholders' meetings.....	273		1,604	3,444		5,321
Telephone.....		3,252	4,002	3,114	1,182	11,550
Transfer agent fees.....	380	502	1,544			2,426
Travel.....		3,315	7,021	4,621	1,934	16,891
Interest income.....	(98)	(1,511)	(16,512)	(10,156)		(28,277)
	<u>15,115</u>	<u>24,423</u>	<u>57,519</u>	<u>75,499</u>	<u>61,463</u>	<u>234,019</u>
	<u>76,463</u>	<u>225,513</u>	<u>1,137,229</u>	<u>562,988</u>	<u>377,094</u>	<u>2,379,287</u>
Allocated to the following mineral properties in the Liard Mining Division of British Columbia as follows:						
Churchill Creek.....	28,014	2,000				30,014
Magnum.....	44,380	223,513	1,134,529	562,988	377,094	2,342,504
Racing River.....	455		200			655
Toad River.....	678		1,000			1,678
Other.	2,936		1,500			4,436
	<u>76,463</u>	<u>225,513</u>	<u>1,137,229</u>	<u>562,988</u>	<u>377,094</u>	<u>2,379,287</u>

The Notes to Financial Statements on pages 41 and 42 form an integral part of this statement.

Churchill Copper Corporation Ltd. (N.P.L.)

Statement of Source and Use of Working Capital

for the period from December 4, 1964 (date of incorporation)

to January 31, 1969 and to April 30, 1969

	Period ended Sept. 30, 1966	Year ended Sept. 30, 1967	Year ended Sept. 30, 1968	Four months ended January 31, 1969	Three months ended April 30, 1969 (Unaudited)
	\$	\$	\$	\$	\$
SOURCE:					
Contributed surplus.....	18,191				
Capital stock issued.....	140,200	225,000	1,519,915	365,000	
Advances from Nippon Mining Co. Ltd. . .			365,000	(365,000)	
Advances from Brameda Resources Limited					500,000
	<u>158,391</u>	<u>225,000</u>	<u>1,884,915</u>	<u> </u>	<u>500,000</u>
USE:					
Deferred costs.....	76,463	225,513	1,137,229	562,988	377,094
Items therein not affecting working capital					
Depreciation.....			(32,395)	(11,109)	(8,331)
Fixed assets consumed.....		(12,250)	(2,095)		
	<u>76,463</u>	<u>213,263</u>	<u>1,102,739</u>	<u>551,879</u>	<u>368,763</u>
Organization costs.....	808				
Acquisition of mineral claims.....	40,501				
Fixed asset additions.....	31,239	20,757	122,092	328,121	249,147
Mineral properties option payment.....	6,000	3,000	5,000		
Equipment contract.....			11,652		
	<u>155,011</u>	<u>237,020</u>	<u>1,241,483</u>	<u>880,000</u>	<u>617,910</u>
Increase (decrease) in working capital.....	3,380	(12,020)	643,432	(880,000)	(117,910)
Working capital (deficiency)—beginning of period		3,380	(8,640)	634,792	(245,208)
Working capital (deficiency)—end of period....	<u>3,380</u>	<u>(8,640)</u>	<u>634,792</u>	<u>(245,208)</u>	<u>(363,118)</u>

The Notes to Financial Statements on pages 41 and 42 form an integral part of this statement.

Churchill Copper Corporation Ltd. (N.P.L.)

Notes to Financial Statements

as at January 31, 1969 and April 30, 1969

1. CHANGE IN FISCAL PERIOD AND NAME

- (a) The company was incorporated December 4, 1964. Expenditures for exploration and development commenced in the summer of 1965 and the first full reporting period ended September 30, 1966. Effective January 31, 1969, the end of the company's fiscal year was changed from September 30 to January 31, and accordingly, the periods ended January 31, 1969 and April 30, 1969, cover four months and three months respectively.
- (b) By special resolution passed on May 29, 1969, the company was converted from a specially limited company into a limited company and the name of the company was changed by deleting the letters "(N.P.L.)" so the name will read "Churchill Copper Corporation Ltd."

2. VALUES

The amounts shown for mineral properties and deferred costs represent costs to date and do not necessarily reflect present or future values.

3. MINERAL PROPERTIES

As at April 30, 1969, the company owned, or had the right to acquire under option, the following mineral properties in British Columbia:

Liard Mining Division—	\$
113 Mineral claims at the value ascribed to 670,000 shares (\$67,000) of the company issued as consideration therefor and \$40,501 paid in cash.....	107,501
10 $\frac{2}{3}$ Mineral claims being acquired under option for cash payments totalling \$70,000; options are exercisable by payment of varying amounts up to August 15, 1975. \$14,000 has been paid at April 30, 1969.....	14,000
<u>123$\frac{2}{3}$</u>	<u>121,501</u>

4. FIXED ASSETS

Fixed assets and related accumulated depreciation, which has been calculated on a straight line basis, are classified as follows:

	April 30, 1969 \$	January 31, 1969 \$
	(unaudited)	
Buildings and equipment.....	136,198	136,198
Less accumulated depreciation.....	51,835	43,504
	<u>84,363</u>	<u>92,694</u>
Construction in progress.....	612,465	363,318
	<u>696,828</u>	<u>456,012</u>

5. AGREEMENTS

- (a) The company has entered into an agreement dated April 10, 1969, with Brameda Resources Limited (formerly Thermochem Industries Limited) whereby Brameda has the option to advance up to \$2,800,000 in stages to be completed on or before September 30, 1969. The agreement provides that Brameda may at its option convert all advances so made into common shares of the company at \$7 per share at any time up to one year after the Magnum Copper deposit is brought into production. Loans totalling \$1,000,000 to May 29, 1969 (\$500,000 at April 30, 1969) have been made and converted on May 29, 1969, to 142,858 shares at \$7 per share pursuant to the terms of the agreement. Subsequent to May 29, 1969 Brameda advanced a further \$500,000 and agreed firmly to advance an additional \$500,000 on or before September 30, 1969.
- (b) Pursuant to an agreement dated May 30, 1969, Brameda Resources Limited has assumed the right of Nippon Mining Co. Ltd. to participate in the financing necessary to place the property into production (note 5(a)).
- (c) The company has entered into an agreement dated October 30, 1967, with Nippon Mining Co. Ltd. providing for the sale by the company to Nippon Mining Co. Ltd., at reasonable prices and terms, of all products of the property for the period of ten years from the date the property is placed into commercial production.

6. CAPITAL STOCK

- (a) Since incorporation, the following shares have been issued for the consideration indicated:

	Number of shares	Amount \$
For cash	1,630,000	2,250,115
For mineral properties	670,000	67,000
	<u>2,300,000</u>	<u>2,317,115</u>

- (b) By special resolution passed on May 29, 1969, the company increased the maximum consideration per share from \$4 to \$7 and increased the authorized share capital from 3,000,000 to 5,000,000 common shares of no par value.
- (c) On May 29, 1969, the company offered the shareholders of record June 3, 1969, the right up to July 10, 1969 to acquire one share for each ten shares held at a price of \$7 per share. Brameda Resources Limited (formerly Thermochem Industries Limited) has the right up to September 30, 1969 to purchase all of the unsubscribed and unpurchased shares offered under the rights offering.

	Number of shares	Amount \$
Shares issued as at April 30, 1969, as set out in note 6(a)	2,300,000	2,317,115
Shares issued subsequent to April 30, 1969, per note 5(a)	142,858	1,000,000
Total shares issued as at June 3, 1969	2,442,858	3,317,115
Maximum shares that may be issued under rights offering	244,286	1,710,002
Maximum issued shares at completion of rights offering	<u>2,687,144</u>	<u>5,027,117</u>

As at September 2, 1969 rights were exercised in respect of 100,157 shares, amounting to \$701,099, leaving a maximum of 144,129 shares, amounting to \$1,008,903 available to Brameda.

- (d) 50,000 shares at \$1 each have been reserved, subject to approval by the Vancouver Stock Exchange, for an employee share purchase plan. None of these shares have been allotted or committed to employees to April 30, 1969.

7. CONTRIBUTED SURPLUS

Contributed surplus arose in the period ended September 30, 1966 as follows:	\$
Amount arising on termination of an agreement with Nissho (Canada) Ltd.	18,190
Mineral claims acquired from Canex Aerial Exploration Ltd.	1
	<u>18,191</u>

8. COMMITMENTS

As at April 30, 1969, the company had commitments for the lease and purchase of equipment in the amount of \$1,600,000.

Subsequent to April 30, 1969, the company has negotiated a cost plus fixed fee contract for construction of a concentrator and service building. The contract is limited to \$2,000,000, including the fee.

Auditors' Report

To the Directors of
Churchill Copper Corporation Ltd. (N.P.L.)

We have examined the balance sheet of Churchill Copper Corporation Ltd. (N.P.L.) as at January 31, 1969 and the statements of deferred costs and source and use of working capital for the period from December 4, 1964 (date of incorporation) to January 31, 1969. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the company as at January 31, 1969, and the results of its operations and the source and use of its working capital for the period from December 4, 1964 (date of incorporation) to January 31, 1969, all in accordance with generally accepted accounting principles consistently applied.

Vancouver, B.C.
September 2, 1969

(Signed) McDONALD, CURRIE & Co.
Chartered Accountants

Purchaser's Statutory Rights of Withdrawal and Rescission

Sections 63 and 64 of The Securities Act, 1967 (Alberta), section 70 and 71 of The Securities Act, 1967 (Saskatchewan), sections 63 and 64 of The Securities Act, 1968 (Manitoba) and sections 63 and 64 of The Securities Act, 1966 (Ontario) provide, in effect, that where a security is offered to the public in the course of primary distribution:

- (a) a purchaser will not be bound by a contract for the purchase of such security if written or telegraphic notice of his intention not to be bound is received by the vendor or his agent not later than midnight on the second business day after the prospectus or amended prospectus offering such security is received or is deemed to be received by him or his agent, and
- (b) a purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the prospectus or any amended prospectus offering such security contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after the expiration of 90 days from the later of the date of such contract or the date on which such prospectus or amended prospectus is received or is deemed to be received by him or his agent.

Sections 61 and 62 of The Securities Act, 1967 (British Columbia) provide in effect that, where a security is offered to the public in the course of primary distribution, a purchaser has the same right of rescission described in (b) above and also that a purchaser has a right to rescind a contract for the purchase of a security, while still the owner thereof, if a copy of the last prospectus, together with financial statements and reports and summaries of reports relating to the securities as filed with the British Columbia Securities Commission, was not delivered to him or his agent prior to delivery to either of them of the written confirmation of the sale of the securities. Written notice of intention to commence an action for rescission must be served on the person who contracted to sell within 60 days of the date of delivery of the written confirmation, but no action shall be commenced after the expiration of three months from the date of service of such notice.

Reference is made to the aforesaid Acts for the complete texts of the provisions under which the foregoing rights are conferred and the foregoing summary is subject to the express provisions thereof.

Dated: September 4, 1969

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of the Securities Act, 1967 (British Columbia) and the regulations thereunder, by Part 7 of The Securities Act, 1967 (Alberta) and the regulations thereunder, by Part VIII of The Securities Act, 1967 (Saskatchewan) and the regulations thereunder, by Part VII of the Securities Act, 1968 (Manitoba) and the regulations thereunder, by Part VII of The Securities Act, 1966 (Ontario) and the regulations thereunder, under the Securities Act (Quebec) and by Section 13 of the Securities Act (New Brunswick).

(Signed) M. E. DAVIS
President

(Signed) J. R. CROLL
Chief Financial Officer

On behalf of the Board of Directors

(Signed) M. M. MENZIES
Director

(Signed) J. AUSTIN
Director

Directors

(Signed) FRANK WELTERS

(Signed) R. ANNABLE

(Signed) J. A. McLALLEN

(Signed) L. C. BURNS

(Signed) J. R. CROLL

(Signed) J. AUSTIN

(Signed) M. M. MENZIES

(Signed) M. E. DAVIS

(Signed) VERNON TAYLOR JR.
by his agent

(Signed) L. P. STARCK

(Signed) B. BRYNELSEN

(Signed) J. AUSTIN

Promoters

(Signed) B. BRYNELSEN

(Signed) M. M. MENZIES

(Signed) M. E. DAVIS

(Signed) J. AUSTIN

Underwriter

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of the Securities Act, 1967 (British Columbia) and the regulations thereunder, by Part 7 of The Securities Act, 1967 (Alberta) and the regulations thereunder, by Part VIII of The Securities Act, 1967 (Saskatchewan) and the regulations thereunder, by Part VII of the Securities Act, 1968 (Manitoba) and the regulations thereunder, by Part VII of The Securities Act, 1966 (Ontario) and the regulations thereunder, under the Securities Act (Quebec) and by Section 13 of the Securities Act (New Brunswick).

BURNS BROS. AND DENTON LIMITED

By: (Signed) DAVID H. BROWN

The following includes the names of all persons having an interest directly or indirectly to the extent of not less than 5% in the capital of Burns Bros. and Denton Limited: C. F. W. Burns, L. C. Burns, E. S. Miles, P. B. M. Eby and D. E. Boxer.

CERTIFICATE AND AGREEMENT OF OPTIONEE OR UNDERWRITER

The optionee or underwriter mentioned in Item 16 on page 3 hereby

1. Certifies that the above information is true and correct, and
2. Covenants that no agreement or agreements of the nature of a sub-option agreement, sub-underwriting agreement or assignment, with respect to the shares set out in Item 16 on page 2 will hereafter be made by him without prior notice thereof being given to the Exchange and that no such proposed agreement or agreements will be proceeded with until such notice has been duly accepted for filing by the Exchange.

Dated at Toronto, this 25th day of November, 1969.

BURNS BROS. AND DENTON LIMITED

"M. G. THORLEY",
Witness

"R. J. DEYELL",
Signature

RIDER NO. 1

See pages 19 to 21 inclusive of the annexed prospectus under the heading "Material Contracts".

Since the date of the annexed prospectus the following material contracts have also been entered into by the Company:

- (1) agreement dated September 17, 1969, between the Company and Ancore International Ltd. ("Ancore") under which the Company has granted Ancore (in which it holds a 25% interest) the exclusive right to market for a period of 15 years the forest products produced by the Company and its subsidiaries and has agreed to advance certain funds to Ancore;
- (2) agreement dated September 19, 1969, between the Company and Oceanic Trading Company Ltd. ("Oceanic"), a subsidiary of Ancore, under which the Company has agreed to use its best efforts to ensure that for a period of 15 years all products produced by the Company and its subsidiaries (other than forest products covered by the agreement with Ancore referred to above) would be marketed through Oceanic;
- (3) agreement dated September 29, 1969, between the Company and Ancore under which Ancore has agreed to perform management services for a minimum period of 8 years in connection with the forest product operations of the Company referred to on pages 11 and 12 of the annexed prospectus under the heading "Timber";
- (4) agreement dated December 3, 1969, between the Company and Quintana Development, Ltd. ("Quintana") under which Quintana has agreed to purchase 100,000 treasury shares of the Company at a price of \$10 per share and a convertible debenture (the "debenture") of the Company in the principal amount of \$5,000,000. The debenture will bear interest at the rate of 9 $\frac{3}{8}$ % per annum and will mature on February 27, 1970, with provision for extension to August 31, 1970, as hereinafter referred to.

The debenture will be convertible into shares of the Company as follows:

(a) on or before February 27, 1970

- (i) the whole of the principal amount of the debenture may be converted into 500,000 shares of Brameda, or
 - (ii) \$2,000,000 of the principal amount of the debenture may be converted into 200,000 shares of Brameda;
- (b) if Quintana elects to convert only \$2,000,000 of the principal amount of the debenture as referred to in sub-clause (ii) of clause (a), the maturity date for the remaining \$3,000,000 principal amount will be extended to May 29, 1970, and on or before that date Quintana may, on payment to Bradmeda of an additional \$750,000 convert the remaining \$3,000,000 principal amount of the debenture into 300,000 shares of Brameda provided that, if all stock exchange and other required approvals are obtained, the date of May 29, 1970, may be extended for whatever period Quintana may request, but in any event not later than August 31, 1970;
- (c) If Brameda has not completed a further 10,000 feet of diamond drilling on its Casino project in the Yukon Territory by February 27, 1970, the date of February 27, 1970, referred to in clause (a) shall be extended until a date 14 days after Brameda notifies Quintana that the required 10,000 feet of additional drilling has been completed, or May 29, 1970, whichever date shall first occur.

In the event that Quintana acquires not less than 300,000 shares of the Company pursuant to the terms of the said agreement, and so long as it retains not less than 100,000 shares of the Company, it shall be entitled, during the period of 5 years from February 27, 1970, to participate pro rata in the purchase of any shares of the Company offered for cash and to have one of its representatives nominated by the management of the Company for election as a director of the Company.

RIDER NO. 2

The agreement with Gulf Titanium Limited (N.P.L.), referred to on page 8 of the annexed prospectus under the heading "Québec", was cancelled on November 1, 1969, and the agreement relating to exploration of certain claims in the Philippines referred to on page 10 of the said prospectus, under the heading "Majoneg deposits, Philippines", was cancelled on October 1, 1969.

On October 21, 1969, the Company purchased an additional 60,000 shares of Churchill Copper Corporation Ltd. at a price of \$7.25 per share.

By Agreement dated June 30, 1969, between the Company and Casino Silver Mines Ltd. (N.P.L.), which is referred to in the annexed prospectus under the heading "Yukon" on page 8, the Company is committed to spend at least \$150,000 prior to December 31, 1969, and has the right by continuing exploration and development and the bringing of the Casino and Canadian Creek properties in the Yukon into production by June 20, 1979, to acquire a 60% interest, or a 70% interest if more than \$10,000,000 is expended.

In a report to the Company's shareholders dated October 30, 1969, advice was given that drilling revealed three overlaying zones of mineralization. The first is an extended oxide zone in which small quantities of copper and molybdenum oxides appear to a vertical depth of somewhere between 150 and 200 feet. The second zone, which is approximately from 150 to 450 feet, carries copper mineralization consisting mainly of chalcocite with minor chalcopyrite, and also has values in molybdenum. The third zone, which is primary chalcopyrite and molybdenite, commences at approximately 450 to 500 feet, with no knowledge of its discontinuance at depth, as all 23 drill holes completed to date have ceased in mineralization. More than 15,000 feet of drilling were completed by November 10, 1969. A sector warranting concentrated effort has been designated as the Patton Hill Block and measures 3,100 feet by 1,400 feet, and has been partly explored by 7 drill holes. It is estimated that the potential of the Patton Hill Block is in the 300,000,000 ton range and thus potentially of economic size. On November 10, 1969, the drilling results on Hole P-22 within the Patton Hill Block were announced as follows:

From 30 to 240 feet there were assayed 210 feet averaging 1.05% copper and .019% MoS₂, or a copper equivalent of 1.1%.

From 240 feet to 1,200 feet there were assayed 960 feet averaging .423% copper and .06% MoS₂, or a copper equivalent of .65%.

On the basis of the first seven holes in the Patton Hill Block, including Hole P-22, it is estimated that there is a potential for more than 350,000,000 tons grading .371% copper and .061% MoS₂, or a copper equivalent of .51%. A drilling program is continuing, with three drills operating continuously.

THE TORONTO STOCK EXCHANGE

16/4/70
23/4/70
30/4/70
7/5/70

FILING STATEMENT NO. 1737
FILED MAY 8, 1970.

BRAMEDA RESOURCES LIMITED

Full corporate name of Company

Incorporated under British Columbia Companies Act

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 (Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	See Schedule "A" ON PAGES 3 AND 4.																																																																														
2. Head office address and any other office address.	Head Office: 7th Floor, Board of Trade Building, 1177 West Hastings Street, Vancouver 1, B.C.																																																																														
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	<p>At the closing of the transaction referred to in Item 1, KMG proposes that the Board of Directors will consist of the following persons:</p> <table><tr><td>B. O. BRYNELSEN</td><td>1962 Knox Road, Vancouver, B.C.</td><td>Mining Executive</td></tr><tr><td>J. AUSTIN</td><td>2664 Edgar Cres., Vancouver, B.C.</td><td>Barrister & Solicitor</td></tr><tr><td>MERVIN E. DAVIS</td><td>597 Hadden Drive, West Vancouver, B.C.</td><td>Mining Executive</td></tr><tr><td>M. M. MENZIES</td><td>5585 McMaster Road, Vancouver, B.C.</td><td>Mining Executive</td></tr><tr><td>L. C. BURNS</td><td>330 Spadina Road, Toronto, Ontario</td><td>Investment Dealer</td></tr><tr><td>J. R. CROLL</td><td>3984 Bayridge Ave. West Vancouver, B.C.</td><td>Mining Executive</td></tr><tr><td>N. B. KEEVIL, JR.</td><td>40 Glen Edyth Pl. Toronto, Ontario</td><td>Mining Executive</td></tr><tr><td>R. E. HALLBAUER</td><td>Wittier Cres., Port Credit, Ont.</td><td>Mining Executive</td></tr><tr><td>J. D. LEISHMAN</td><td>635 Glenmaroon West Vancouver, B.C.</td><td>Company Director</td></tr><tr><td>SIR MICHAEL BUTLER</td><td>2942 West 49th Ave. Vancouver, B.C.</td><td>Barrister & Solicitor</td></tr><tr><td>W. R. BERGEY</td><td>5046 Cranley Drive West Vancouver, B.C.</td><td>Geologist</td></tr></table> <p>The last five Directors will replace Messrs. L. P. Starck, R. G. Annable, J. A. McLallen, Vernon Taylor, Jr. and F. S. Welters.</p> <p>The proposed Directors have not met to consider changes in the Officers of the Company who at the date hereof are:</p> <table><tr><td>B. O. BRYNELSEN</td><td>1964 Knox Road, Vancouver, B.C.</td><td>Mining Executive</td></tr><tr><td>Chairman of the Board</td><td></td><td></td></tr><tr><td>J. AUSTIN</td><td>2664 Edgar Cres., Vancouver, B.C.</td><td>Barrister & Solicitor</td></tr><tr><td>President</td><td></td><td></td></tr><tr><td>J. R. CROLL</td><td>3984 Bayridge Ave., West Vancouver, B.C.</td><td>Mining Executive</td></tr><tr><td>Executive Vice President & Chief Financial Officer</td><td></td><td></td></tr><tr><td>R. E. HALLBAUER</td><td>Wittier Crescent, Port Credit, Ont.</td><td>Mining Executive</td></tr><tr><td>Vice President, Mines*</td><td></td><td></td></tr><tr><td colspan="3">(* Appointed on April 15, 1970)</td></tr><tr><td>A. C. ROBERTSON</td><td>5569 Balaclava St. Vancouver, B.C.</td><td>Barrister & Solicitor</td></tr><tr><td>General Counsel & Secretary</td><td></td><td></td></tr><tr><td>D. R. FITZPATRICK</td><td>1562 Westbrook Cres. Vancouver, B.C.</td><td>Executive</td></tr><tr><td>Vice President, Corporate Relations</td><td></td><td></td></tr><tr><td>R. J. COBB</td><td>4963 Connaught Dr. Vancouver, B.C.</td><td>Chartered Accountant</td></tr><tr><td>Treasurer</td><td></td><td></td></tr></table>	B. O. BRYNELSEN	1962 Knox Road, Vancouver, B.C.	Mining Executive	J. AUSTIN	2664 Edgar Cres., Vancouver, B.C.	Barrister & Solicitor	MERVIN E. DAVIS	597 Hadden Drive, West Vancouver, B.C.	Mining Executive	M. M. MENZIES	5585 McMaster Road, Vancouver, B.C.	Mining Executive	L. C. BURNS	330 Spadina Road, Toronto, Ontario	Investment Dealer	J. R. CROLL	3984 Bayridge Ave. West Vancouver, B.C.	Mining Executive	N. B. KEEVIL, JR.	40 Glen Edyth Pl. Toronto, Ontario	Mining Executive	R. E. HALLBAUER	Wittier Cres., Port Credit, Ont.	Mining Executive	J. D. LEISHMAN	635 Glenmaroon West Vancouver, B.C.	Company Director	SIR MICHAEL BUTLER	2942 West 49th Ave. Vancouver, B.C.	Barrister & Solicitor	W. R. BERGEY	5046 Cranley Drive West Vancouver, B.C.	Geologist	B. O. BRYNELSEN	1964 Knox Road, Vancouver, B.C.	Mining Executive	Chairman of the Board			J. AUSTIN	2664 Edgar Cres., Vancouver, B.C.	Barrister & Solicitor	President			J. R. CROLL	3984 Bayridge Ave., West Vancouver, B.C.	Mining Executive	Executive Vice President & Chief Financial Officer			R. E. HALLBAUER	Wittier Crescent, Port Credit, Ont.	Mining Executive	Vice President, Mines*			(* Appointed on April 15, 1970)			A. C. ROBERTSON	5569 Balaclava St. Vancouver, B.C.	Barrister & Solicitor	General Counsel & Secretary			D. R. FITZPATRICK	1562 Westbrook Cres. Vancouver, B.C.	Executive	Vice President, Corporate Relations			R. J. COBB	4963 Connaught Dr. Vancouver, B.C.	Chartered Accountant	Treasurer		
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4. Share capitalization showing authorized and issued and outstanding capital.	Authorized: 10,000,000 shares without nominal or par value. Issued: 6,598,228 shares.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	<ol style="list-style-type: none"> 1. Pursuant to the transaction referred to in Item 1, the Company borrowed the sum of \$2,000,000 until the closing date of that transaction secured by two single debentures created and issued April 10, 1970, in the amount of \$1,000,000 each to Highland-Bell Limited and Area Mines Limited, respectively. The debentures are non-interest bearing and are secured by a floating charge on the assets and undertaking of the Company. 2. In support of its guaranty of advances made by The Toronto-Dominion Bank and the Bank of British Columbia to Churchill Copper Corporation Ltd., the Company has hypothecated to the said banks 1,011,858 shares of Churchill Copper Corporation Ltd. and 614,796 shares of Giant Mascot Mines Ltd.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	See Schedule "A" ON PAGES 3 AND 4. Reference is also made to the shares being purchased by employees under the agreement referred to in Item 19 of the attached Schedule and numbered (17), and the shares under option to Burns Bros. and Denton Limited pursuant to the agreement referred to in Item 19 of such Schedule and numbered (18).
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	See Item 1.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	\$2 million of the proceeds of sale of Treasury shares and the Debenture will be used to retire the interim loans from Highland-Bell Ltd. and Area Mines Ltd. referred to in items 1, 6 and 7 of the Schedule hereto. These loans were used to meet current liabilities of the Company, and for short term advances of approximately \$625,000 to Churchill Copper Corporation Ltd. to enable it to meet its financial obligations pending completion of its bank financing. The balance of the proceeds will be used to continue the drilling program on the Casino copper and molybdenum project in the Yukon Territory and on the Sukunka coking coal project near Chetwynd, B.C. Funds will also be expended in developing the Company's position in the Liard forest area in B.C. and to continue logging feasibility studies in the Atlin area, and for general administrative and operating costs of the Company.
10. Brief statement of company's chief development work during past year.	The Company has carried on active exploration in Costa Rica and the United States with respect to sulphur deposits and further development of its Thermochem process for the extraction of elemental sulphur as well as exploration work on a silver deposit in the United States and substantial work of an exploratory and development nature on the Casino property in the Yukon. Extensive exploration and development work was also carried out on coal deposits in British Columbia and work is continuing in the area. Other activities included management of Churchill Copper Corporation Ltd. in which additional investment was made to achieve a share position of 50.03%. Other activities also included feasibility studies on forestry projects in British Columbia and the Yukon.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	This item not applicable.

SCHEDULE "A"

A. An Agreement dated April 8, 1970, has been entered into between the Company and Keevil Mining Group Limited ("KMG") of 49th Floor, Toronto-Dominion Centre, Toronto, Ontario, acting on behalf of certain mining companies associated with it which have been disclosed by KMG as being Teck Corporation Limited of the 49th Floor, Toronto-Dominion Centre, Toronto, Ontario; Highland-Bell Limited ("Highland-Bell"), 999 West Pender Street, Vancouver, B.C.; and Area Mines Limited ("Area"), 49th Floor, Toronto-Dominion Centre, Toronto, Ontario; the principal terms of which may be summarized as follows:

1. Highland-Bell and Area agree to purchase from treasury 333,335 common shares of the Company at a price of \$6 per share and a three-year One Million Dollar (\$1,000,000) interest-free subordinated debenture convertible at any time within the three-year period into common shares of the Company at \$6 per share. The foregoing transactions will provide \$3,000,010 in cash to the Company. This purchase will be made equally by Highland-Bell and Area.
2. Teck agrees to guarantee additional bank loans to Churchill Copper Corporation Ltd. ("Churchill") in an amount aggregating \$3,250,000 in consideration of a fee of One Million Dollars (\$1,000,000) payable out of the proceeds from the sale of concentrates shipped by Churchill at the rate of \$6 per ton, after repayment of all bank loans. This will provide Churchill with the financing necessary to discharge all remaining liabilities relating to the commencement of production from its copper property.
3. A new Board of Directors is provided for, to be nominated by Highland-Bell and Area. The proposed Board is set out in Item 3 hereunder.
4. Contemporaneously with the purchase of shares and the convertible debenture from the Company, Highland-Bell and Area are each purchasing 400,000 common shares from original founders of the Company at a price of \$1 per share. These shares are now and will remain subject to an escrow agreement dated August 26, 1969, between certain original shareholders of the Company, the Canada Permanent Trust Company as escrow agent, and Burns Bros. and Denton Limited. The Vendors of the shares to be sold to Highland-Bell and Area are as follows:

<u>Vendor</u>	<u>No. of Shares</u>
J. Austin	115,833
B. O. Brynelsen	115,833
M. E. Davis	115,834
M. M. Menzies	115,834
A. E. Turton	115,833
Honor Investments Ltd.	115,833
E. P. Chapman, Jr.	35,000
J. A. Wood	35,000
G. R. Griswold	35,000

The said vendors have further agreed to confer on Highland-Bell and Area for a period of three years the voting rights to approximately 720,000 further common shares owned by the said vendors and subject to the said escrow agreement.

The Agreement is made subject to completing all of the conditions of closing, to take place on or before April 30, 1970.

Following acceptance of the agreement by the Company, Highland-Bell and Area together advanced the sum of \$2,000,000 to the Company as an interest-free loan secured by two single debentures in the amount of \$1,000,000 each, repayable on the closing date. The loan was for the purpose of enabling the Company to meet its immediate financial requirements.

- B. The Company, which has substantial share holdings in Secondo Mining Ltd. (N.P.L.), Territory Mining Ltd. (N.P.L.), Kismet Mining Corporation Ltd. (N.P.L.) and Pinex Mines Limited (N.P.L.), has assumed the outstanding obligations of these companies to itself and to third parties totalling just over \$300,000 and has entered into agreements with each of the said companies, subject to the approval of the shareholders of such companies, whereby these obligations will be converted into common shares of these companies. By agreement dated March 12, 1970, the Company has agreed to sell all its shares in the said companies (including the shares acquired upon the above conversion) to A. E. Turton for the sum of \$300,000, the right to participate in future issues of vendor shares and the right for three years to participate in exploration programs of these companies.

Footnote to be added to schedule attached to filing statement of Brameda Resources Limited dated April 13, 1970.

Subsequent to the date of this filing statement the amount of bank loans to Churchill to be guaranteed by Teck was increased to \$4,000,000 and it was agreed that the fees payable to Teck would be payable quarterly out of operating profits at the rate of \$6 per ton of concentrates shipped, after payment of quarterly instalments of \$400,000 plus interest on the bank loans.

SCHEDULE "B"

<u>Company</u>	<u>Shares</u>	<u>Cost</u>	<u>Quoted Market Value</u>
Investments in public companies:			
Churchill Copper Corporation Ltd.	1,473,129	\$6,831,235	\$8,028,553
Giant Mascot Mines Limited	614,794	2,151,780	1,936,607
Hearne Coppermine Explorations Limited (N.P.L.) (Hearne)	533,933)		331,038
Westland Mines Ltd. (N.P.L.)	325,000)	1,060,000*	125,500
Casino Silver Mines Ltd. (N.P.L.)	450,000)		1,665,000
Ionarc Smelters Ltd.	29,300	41,600	87,900
Choqua Oil Co. Ltd.	2,697,060	34,496	No quote available
* Carry on a combined cost basis.			
Investments in private companies:			
Chapman, Wood & Griswold Ltd.	430	259,630	-
Seymour Laboratory Ltd.	30	30	-
Atlin Industries Ltd.	10	10	-
Thermochem Industries of America, inc.	3	3	-
Thermo-Tico Industrias, S.A.,	10	1,553	-
Sechelt Sand & Gravel Ltd.	2	2	-
Magnum Mining Company	3	3	-
Southgate Explorations Ltd.	1,250,000	1	-
Planet Mines Ltd.	100	100	-
Muskox Mines Limited	75,562	20,060	-
Ancore International Ltd.	11,060	1,000,050	-

SCHEDULE "C"

- (1) Agreement dated June 3, 1968 between the Company and June Paramore and Jean McPherson, beneficiaries of the estate of the late Jean P. Champagne, whereby the Company purchased patent applications and other rights in respect of the Thermochem process;
- (2) Agreement dated March 1, 1968 between Chapman, Wood & Griswold Ltd. and the Company whereby Chapman, Wood & Griswold Ltd. agree to act exclusively on behalf of the Company in developing the Thermochem process and not to disclose or use any information acquired in this regard;
- (3) Agreement dated February 15, 1969 between the Company and Benguet Consolidated, Inc. granting the latter the exclusive right to use or sublicense the Thermochem process in the Philippines and Taiwan;
- (4) Agreement dated February 28, 1969 between the Company and Scurry-Rainbow Oil Limited granting the latter a non-exclusive right to use the Thermochem process in Bolivia, South America;
- (5) Agreement dated March 28, 1969 between The Sulphurdale Chemical Company, a joint venture consisting of the Estate of D. B. Lewis, and Robert Gaston, Jack Heidt and Lucille Parker, in the representative capacity as Executors of the Estate of D. B. Lewis, and Lewis Food Company and Ernest L. Lewis and Helen Ruth Lewis, as sellers, and Thermochem Industries of America, Inc. amending the agreement of the Group and two other vendors pursuant to which Thermochem Industries of America, Inc. purchased the Sulphurdale Property;
- (6) Agreement between the Company, the Group and Econtech Ltd. dated June 20, 1969 providing for joint action in the election of their representatives as directors of Giant Mascot and for a right of first refusal in respect of the other shares in Giant Mascot now held or hereafter acquired;
- (7) Agreement dated October 28, 1969 between James W. Fair Trustee No. 2 and the Company under which the Company has the right to earn 55% of the profits of the Chocosuela sulphur property in Costa Rica;
- (8) Agreement dated January 29, 1969 between Pascara Oils Limited, Central Pacific Sulphur Mines Limited and the Company under which the Company has the right to earn 75% of the profits of the Gongora sulphur deposits in Costa Rica;
- (9) Agreement dated January 29, 1969 between Northcal Mines Ltd. and the Company providing that Northcal Mines Ltd. is entitled to a 15% interest in the entire net proceeds realized from the production of the properties described in the agreement referred to in clause 8 above;
- (10) Deed of Trust dated May 1, 1969 between Thermochem Industries of America, Inc. and The Sulphurdale Chemical Company providing for the issue of a promissory note in the amount of \$500,000 U.S. secured by a first mortgage.
- (11) Agreement dated October 31, 1968 between Cadco Enterprises Ltd. and the Company under which the Company has acquired an interest in 99 claims in the Highland Valley, British Columbia. By carrying out certain exploratory work the Company may elect to bring the property into production by October 31, 1978 in which event the Company would be entitled to 70% of the profits after repayment of pre-production expenses and advances;
- (12) Agreement dated March 18, 1969 between the Company and Noranda Exploration Company, Limited assigning a one-half interest in the agreement referred to in clause (11) above;
- (13) Agreement dated October 31, 1968 between North Pacific Mines Ltd. (N.P.L.), the Company and Comet Krain Mining Corp. Ltd. in respect of 126 claims in the Highland Valley, British Columbia. By carrying out this exploration work, the Company may bring the property into production by October 31, 1978 in which event it would be entitled to 70% of the profits after repayment of pre-production expenses and advances;
- (14) Agreement made March 18, 1969 between the Company and Noranda Exploration Company, Limited assigning a one-half interest in the agreement referred to in clause (13) above;

- (15) Agreement dated June 6, 1969 between the Company and Pine Pass Coal Company Ltd. under which the Company has the right to explore and develop certain coal deposits in the Pine Pass area of British Columbia. The Company is in the process of terminating this Agreement.
- (16) Agreement dated April 30, 1969 between the Company and Taseko Mines Ltd. (N.P.L.) covering the Transvaal group of claims which adjoin the North Pacific property. The Company is committed to spend a minimum of \$25,000 before June 1, 1970. If the Company elects to continue exploration and brings the property into production by April 30, 1979 it will be entitled to 60% of the profits;
- (17) Agreement dated May 26, 1969 between the Company and 16 individual employees under which the employees have agreed to purchase 84,000 shares of the Company at a price of \$10 per share of which 10% has been paid and the balance is payable in 4 annual instalments of 10% per annum with the remaining 50% payable not later than May 31, 1974. Any such shares not fully paid for are subject to forfeiture. Pending payment in full but in any event until November 30, 1970 the purchased shares are lodged in escrow;
- (18) Option agreement dated September 4, 1969 between the Company and Burns Bros. and Denton Limited granting the latter an option for 3-1/2 years to purchase 130,000 shares of the Company at \$8.50 per share;
- (19) Agreement dated June 20, 1969 between the Company and Casino Silver Mines Ltd. (N.P.L.) as amended by a further agreement dated September 9, 1969 the Company has the right through expenditures for exploration, development and construction to place the Casino and Canadian Creek properties in the Yukon on a producing basis by June 30, 1979 and thereby acquire a 60% interest therein or a 70% interest if more than \$10,000,000 is expended;
- (20) Agreement made January 26, 1970 between the Company and Churchill Copper Corporation Ltd., the Company has assumed management and supervision of the project which will bring the Magnum copper orebody near Fort Nelson, British Columbia into production;
- (21) Agreement dated March 12, 1970 between the Company and A.E. Turton, more particularly described in part B of Item 1 of this Schedule.
- (22) Agreement dated September 17, 1969 between the Company and Ancore International Ltd. under which the Company has granted Ancore (in which it holds a 25% interest) the exclusive right to market for a period of 15 years the forest products produced by the Company and its subsidiary and has agreed to advance certain funds to Ancore;
- (23) Agreement dated September 19, 1969 between the Company and Oceanic Trading Company Ltd., a subsidiary of Ancore, under which the Company has agreed to use its best efforts to ensure that for a period of 15 years all products produced by the Company and its subsidiaries (other than forest products covered by the agreement with Ancore referred to above) would be marketed through Oceanic;
- (24) Agreement dated September 25, 1969 between the Company and Ancore under which Ancore has agreed to perform management services for a minimum period of 8 years in connection with the forest products operations of the Company in connection with certain timber rights held by the Company on the western sector of the border between British Columbia and the Yukon Territory and other timber rights of the Company in the vicinity of Carcross in the Yukon Territory.

FINANCIAL STATEMENTS

BRAMEDA RESOURCES LIMITED CONSOLIDATED BALANCE SHEET AS AT FEBRUARY 28, 1970

(With comparative figures as at December 31, 1969)

ASSETS

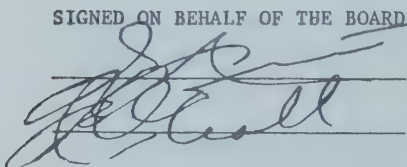

	February 28 1970	December 31 1969
Current assets:		
Cash	\$ 127,173	\$ 1,878,021
Receivables	584,600	282,503
Marketable securities (quoted market value \$74,000)	50,721	50,722
Prepaid expenses	24,194	29,574
Bearer deposit note	-	5,000,000
Total current assets	\$ 786,688	\$ 7,240,820
Investment in and advances to associated and other companies, at cost (Note 2)	11,735,253	11,639,631
Mineral claims, buildings and equipment (Note 3)	4,088,894	3,963,498
Deferred exploration, development and other expenditures (Statement 1)	5,279,846	4,219,717
Deposit and costs related to property negotiations	96,101	95,654
	<u>\$21,986,782</u>	<u>\$27,159,320</u>

LIABILITIES AND SHAREHOLDER'S EQUITY

Current liabilities:		
Bank loans	\$ 35,000	\$ 25,000
Accounts payable	2,468,277	2,535,617
Mortgage payable	494,500	537,500
Convertible debenture	-	5,000,000
Total current liabilities	2,997,777	8,098,117
Shareholder's equity:		
Capital stock (Note 4)	21,437,619	21,437,619
Deficit, per accompanying statement	(2,448,614)	(2,376,416)
Total shareholder's equity	18,989,005	19,061,203
	<u>\$21,986,782</u>	<u>\$27,159,320</u>

Contingent liabilities and commitments (Note 5)

SIGNED ON BEHALF OF THE BOARD:

 Director
 Director

CONSOLIDATED STATEMENT OF DEFICIT TWO MONTHS ENDED FEBRUARY 28, 1970

(With comparative figures for the eight months ended
December 31, 1969)

	Two Months ended February 28, 1970	Eight Months ended December 31, 1969
Balance, beginning of period	\$ 2,376,416	\$ 208,191
Add:		
Costs relating to the properties abandoned during the period	52,313	1,990,349
Estimated expenses relating to the issue of 1,340,000 shares	-	150,000
Sundry advances written off (Recoveries)	(5,622)	42,746
	\$ 2,423,107	\$ 2,391,286
Net earnings (losses) for the period from consulting services and laboratory operations	(25,507)	14,870
Balance, end of period	<u>\$2,448,614</u>	<u>\$2,376,416</u>

BRAMEDA RESOURCES LIMITED
CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

TWO MONTHS ENDED FEBRUARY 28, 1970.

(With comparative figures for eight months ended
December 31, 1969).

	Two months ended February 28, 1970.	Eight months ended December 31, 1969
Source of funds:		
Funds received on the issue of capital stock:		
Balance on stock issued for cash to April 30, 1969	-	\$ 118,372
For cash at \$7.00 a share	-	150,500
For cash at \$10.00 a share	-	1,000,000
To key employees	-	84,000
Proceeds of underwriting	-	10,813,800
Working capital of Chapman, Wood & Griswold Ltd. at the date of acquisition	-	238,100
Recovery of receivables written off in 1969	5,622	
Net earnings (loss) for the period from consulting service and laboratory operation	(25,507)	14,870
Depreciation included therein	3,091	13,856
Funds provided from operations	(22,416)	28,726
Total funds received	(16,794)	12,433,498
Use of Funds:		
Acquisition of shares of Churchill Copper Corporation Ltd.	-	5,143,903
Acquisition of shares in Westland Mines Ltd.	-	250,000
Advances to associated companies	95,622	546,802
Furniture and equipment	128,487	271,746
Exploration, development and other expenditures	1,112,442	4,005,317
Increase in costs and deposits relating to property negotiations	447	71,166
Cash portion of the cost of acquiring the shares of Chapman, Wood & Griswold Ltd.	-	200,000
Expenses relating to the underwriting	-	150,000
Excess of current liabilities over current assets assumed on the acquisition of the assets of Magnum Consolidated Mining Co. Ltd. (N.P.L.)	-	1,892,873
	1,336,998	12,531,807
Increase in working capital deficiency	1,353,792	98,309
Working capital deficiency at beginning of period	857,297	758,988
Working capital deficiency at end of period	\$ 2,211,089	\$ 857,297

CONSOLIDATED STATEMENT OF DEFERRED EXPLORATION
DEVELOPMENT AND OTHER EXPENDITURES
Two Months Ended February 28, 1970

	Balance at beginning of period	Expenditures for the period	Charged to Deficit	Balance at end of period
Exploration and Development:				
Costa Rica	\$ -	\$ 12,398	\$ 12,398	\$ -
Sulphurdale	492,109	166,868	20,967	638,010
Casino	976,005	620,043	-	1,596,048
Atlin	112,792	16,152	-	128,944
Liard Forestry	-	10,500	-	10,500
Sukunka	164,183	171,164	-	335,347
Choqua	41,815	(16)	-	41,799
McCracken	615,800	39,526	-	655,326
Other properties	-	18,696	18,696	-
Total exploration and development	2,402,704	1,055,331	52,061	3,405,974
Process research and development:	1,351,820	7,206	-	1,359,026
Salaries, travel and other indirect costs	465,193	49,905	252	514,846
Total exploration, development and other expenditures	\$ 4,219,717	\$ 1,112,442	\$ 52,313	\$ 5,279,846

BRAMEDA RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT FEBRUARY 28, 1970

1. PRINCIPLES OF CONSOLIDATION:

The consolidated financial statements include the financial statements of the Company and certain subsidiaries, namely: Chapman, Wood & Griswold Ltd., Seymour Laboratory Ltd., Atlin Industries Ltd., Thermochem Industries of America Inc., Thermo-Tico Industries, S.A., Sechelt Sand & Gravel Ltd., Choqua Oil Co. Ltd., Magnum Mining Company, Southgate Explorations Limited (N.P.L.) and Planet Mines Limited. The financial statements of Churchill Copper Corporation Ltd., 50.03% owned, have not been included.

The accounts recorded in foreign currencies have been translated into Canadian currency at the approximate rates prevailing at February 28, 1970. Other assets and liabilities have been converted at substantially the rates prevailing at the dates of the relevant transactions.

Included in the consolidation are the net current assets of the wholly-owned Costa Rican subsidiary company amounting to \$31,779 which are subject to the exchange restrictions of that country.

2. INVESTMENTS IN AND ADVANCES TO ASSOCIATED AND OTHER COMPANIES, AT COST:

INVESTMENTS:

ESTMENTS:

	Shares			Quoted value of shares not subject to Escro February 28, 197
	Escrow	Not subject to Escrow	Cost	
Associated Companies:				
Churchill Copper Corporation Ltd.	-	1,473,129	\$6,831,235	\$10,311,903
Ancore International Ltd. and a minor affiliate	-	(see below)	1,050,000	No quoted value
Giant Mascot Mines Ltd.	-	614,796	2,151,780	1,807,500
Hearne Coppermine Explorations Ltd. (N.P.L.)	270,600	20,000	110,000	15,000
Westland Mines Ltd. (N.P.L.)	-	200,000	250,000	96,000
Casino Silver Mines Ltd. (N.P.L.)	118,631	331,369		1,458,024
Hearne Coppermine Explorations Ltd. (N.P.L.)	243,333	-		-
Kismet Mining Corporation Ltd. (N.P.L.)	325,000	271,000	700,000	176,150
Pinex Mine's Limited (N.P.L.)	782,730	206,150		70,091
Secondo Mining Ltd. (N.P.L.)	200,000	90,000		17,100
Territory Mining Ltd. (N.P.L.)	550,000	-		-
Westland Mines Ltd. (N.P.L.)	68,300	56,700		27,216

Other Companies:

Ionarc Smelters Ltd.	-	45,000	22,500	166,500
Muskox Mines Ltd.	-	75,562	20,060	No quoted value
			<u>11,135,575</u>	

ADVANCES

599,678

11,735,253

The quoted value of the above shares not subject to escrow are provided as a matter of information, however, they do not necessarily represent the value that would be received on disposal, because of the relatively large proportion of shares held.

The company owns 11,060 shares of Ancore, a private company, representing 25% of the issued and outstanding shares.

3. MINERAL CLAIMS, BUILDINGS AND EQUIPMENT:

McCracken, at cost	\$2,211,762
Sulphurdale, at cost	1,530,859
Other, at cost less depreciation of \$39,948	346,273
	<u>\$4,088,894</u>

Title to the Sulphurdale property is subject to a mortgage securing \$494,500 (460,000 U.S.) bearing interest at 6% per annum which is payable during the year ending December 31, 1970.

4. CAPITAL STOCK:

An option exercisable on or before March 4, 1973, has been granted to Burns Bros. and Denton Limited, as underwriters, to purchase 130,000 shares at a price of \$8.50 per share.

5. CONTINGENT LIABILITIES AND COMMITMENTS:

- (a) Brameda has guaranteed bank loans of Churchill Copper Corporation Ltd. up to a maximum of \$8,000,000 and has lodged certain collateral as security for loans made to the subsidiary.
- (b) Patents pending on the sulphur ore refining process are subject to a royalty of 1/3 of 1% of the selling price per ton of sulphur produced by the use of the process, but not less than \$10,750 per annum.
- (c) The Sulphurdale property is subject to an obligation to pay \$2.15 a long ton on the first 500,000 tons of sulphur produced and sold from the property.

CHURCHILL COPPER CORPORATION LTD.
BALANCE SHEET
AS AT DECEMBER 31, 1969
(With comparative figures as at January 31, 1969)



ASSETS

	<u>December 31,</u> <u>1969</u>	<u>January 31,</u> <u>1969</u>
Current assets:		
Cash	\$ 95,775	\$ 6,002
Receivables	<u>68,306</u>	<u>68,940</u>
Total current assets	\$ 164,081	\$ 74,942
Property, plant and equipment:		
Mineral claims, at cost (Note 1)	126,502	121,501
Buildings and equipment, at cost		
less accumulated depreciation of \$72,372		
(Notes 2 and 5)	<u>4,640,921</u>	<u>456,012</u>
	\$4,767,423	\$ 577,513
Mine development and preproduction expenditure,		
per accompanying statement (Notes 2 and 5)	<u>5,016,572</u>	<u>2,003,001</u>
	<u>\$9,948,076</u>	<u>\$ 2,655,456</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:		
Bank loan (Note 3)	\$1,000,000	\$
Accounts payable and accrued liabilities	<u>2,102,768</u>	<u>320,150</u>
Total current liabilities	\$3,102,768	\$ 320,150
Shareholders' equity:		
Capital stock (Note 4)	6,827,117	2,317,115
Contributed surplus	<u>18,191</u>	<u>18,191</u>
	\$6,845,308	\$ 2,335,306
Commitments (Notes 3 and 5)	<u>\$9,948,076</u>	<u>\$ 2,655,456</u>

SIGNED ON BEHALF OF THE BOARD:


J.R. Croll

J. Austin

Director & Executive Vice President

Director & Vice President, Finance & Administration

See accompanying notes to financial statements

These statements are subject to final adjustment and audit.

CHURCHILL COPPER CORPORATION LTD.
STATEMENT OF SOURCE AND USE OF WORKING CAPITAL
ELEVEN MONTHS ENDED DECEMBER 31, 1969

(With comparative figures for the sixteen months ended January 31, 1969)

	Eleven Months Ended December 31, 1969	Sixteen Months Ended January 31, 1969
Source:		
Capital stock issued	\$ 4,510,002	\$ 1,884,915
Use:		
Mine development and preproduction expenditure	3,013,571	1,654,618
Buildings and equipment - construction in progress	4,184,910	461,865
Option payment on mineral claims	<u>5,000</u>	<u>5,000</u>
	\$ <u>7,203,481</u>	\$ <u>2,121,483</u>
Increase in working capital deficiency	2,693,479	236,568
Working capital deficiency at beginning of period	<u>245,208</u>	<u>8,640</u>
Working capital deficiency at end of period	\$ <u><u>2,938,687</u></u>	\$ <u><u>245,208</u></u>

STATEMENT OF MINE DEVELOPMENT AND PREPRODUCTION EXPENDITURE (NOTE 2)
ELEVEN MONTHS ENDED DECEMBER 31, 1969

	Balance January 31, 1969	Expenditures during the period	Balance December 31, 1969
Administration	\$ 201,641	\$ 286,236	\$ 487,877
Assaying	21,610	-	21,610
Camp operation	343,354	232,762	576,116
Consultants fees	136,877	89,093	225,970
Depreciation	43,504	28,868	72,372
Drilling	239,954	109,648	349,602
Engineering works and services	154,932	5,742	160,674
Mine development	843,467	2,255,970	3,099,437
Surveying	<u>45,939</u>	<u>5,595</u>	<u>51,534</u>
	\$ 2,031,278	\$ 3,013,914	\$ 5,045,192
Less interest income	<u>28,277</u>	<u>343</u>	<u>28,620</u>
	\$ <u><u>2,003,001</u></u>	\$ <u><u>3,013,571</u></u>	\$ <u><u>5,016,572</u></u>
Allocations to mineral claims in the Liard Mining Division of British Columbia:			
Churchill Creek	\$ 30,014	\$ -	\$ 30,014
Racing River	655	-	655
Toad River	1,678	20,238	21,916
Magnum	1,966,218	2,984,655	4,950,873
Other	<u>4,436</u>	<u>8,678</u>	<u>13,114</u>
	\$ <u><u>2,003,001</u></u>	\$ <u><u>3,013,571</u></u>	\$ <u><u>5,016,572</u></u>

See accompanying notes to financial statements

NOTES TO FINANCIAL STATEMENTS
ELEVEN MONTHS ENDED DECEMBER 31, 1969

1. Mineral Claims:

As at December 31, 1969, the company owned or had the right to acquire under option the following properties in British Columbia:

Liard Mining Division -

100	mineral claims at the value ascribed to. 670,000 shares (\$67,000) of the company issued as consideration therefor and \$40,501 paid by cash.	\$ 107,501
10 2/3	mineral claims being acquired under option for cash payments totalling \$70,000; options are exercisable by payment of varying amounts up to August 15, 1975. \$19,000 had been paid at December 31, 1969.	19,000
65	mineral claims acquired by staking during the eleven months ended December 31, 1969, and recorded at a nominal value of \$1.	1
<u>175 2/3</u>		<u>\$ 126,502</u>

2. Cost Allocation:

Expenditures which have been included in either building and equipment costs or mine development and preproduction expenditure are subject to re-allocation between these classifications on completion of the construction programme.

3. Bank Loans:

Arrangements are in process for bank loans of up to \$8,000,000 Canadian or for U.S. dollar loans the equivalent thereof, to be used to bring the Magnum orebody into production and to provide working capital. As part of these arrangements loans were completed on February 4, 1970, for U.S. dollars the equivalent of \$4,000,000 Canadian and part of these funds were used to repay interim bank borrowings of \$1,000,000 outstanding as at December 31, 1969. The lenders have the option of converting once from the currency in which these loans are first made to the other currency, U.S. or Canadian.

The loans will be secured by a first charge on all of the company assets and by the guarantee and collateral of Brameda Resources Limited. Among other things, the terms of the loans restrict dividend payments and capital expenditures and require Brameda to manage the affairs of the company.

4. Capital Stock:

Authorized:

5,000,000 shares without nominal or par value

Issued and outstanding:

As at January 31, 1969:

	<u>Number of Shares</u>	<u>Amount</u>
For cash	1,630,000	\$ 2,250,115
For mineral properties	<u>670,000</u>	<u>67,000</u>
	2,300,000	\$ 2,317,115

Issued for cash during the eleven months ended December 31, 1969:

To Brameda on conversion of loans	400,000	2,800,000
Pursuant to a rights offering	<u>244,286</u>	<u>1,710,002</u>
	<u>2,944,286</u>	<u>\$ 6,827,117</u>

50,000 shares at \$1.00 each have been reserved, subject to approval by the Vancouver Stock Exchange, for an employee share purchase plan. None of these shares have been allotted or committed to employees to December 31, 1969.

5. Commitments:

The Company is in the process of bringing its Magnum copper orebody into production at an estimated cost of \$13,750,000 (including working capital requirements) of which approximately \$10,000,000 has been expended to December 31, 1969.

CHURCHILL COPPER CORPORATION LTD

BALANCE SHEET

AS AT FEBRUARY 28, 1970.

(WITH COMPARATIVE FIGURES AS AT DECEMBER 31, 1969)

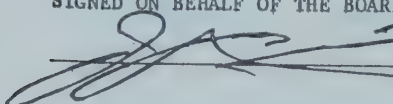
	<u>February 28,</u> <u>1970</u>	<u>December 31,</u> <u>1969</u>
<u>ASSETS</u>		
<u>Current Assets</u>		
Cash	\$ 366,845	\$ 95,775
Receivables	18,860	68,306
Prepaid Expenses	<u>5,332</u>	<u>-</u>
	\$ 391,037	\$ 164,081
<u>Mineral Claims at Cost</u>	126,502	126,502
<u>Exploration & Development Costs</u> (from inception to January 31, 1969 as per schedule A)	2,002,192	2,002,192
<u>Construction Work in Progress</u> (as per schedule B - attached)	9,318,785	7,654,493
<u>Incorporation Costs</u>	<u>808</u>	<u>808</u>
	<u>\$11,839,324</u>	<u>\$9,948,076</u>

LIABILITY & SHAREHOLDERS EQUITY

<u>Current Liabilities</u>		
Bank Loan	\$ 4,000,000	\$1,000,000
Accounts payable & Accrued Liabilities	<u>994,016</u>	<u>2,102,768</u>
	\$ 4,994,016	\$3,102,768
<u>Shareholders Equity</u>		
Capital Stock - 2,944,286 shares issued.	\$ 6,827,117	\$6,827,117
Contributed Surplus	<u>18,191</u>	<u>18,191</u>
	\$ 6,845,308	\$6,845,308
	<u>\$11,839,324</u>	<u>\$9,948,076</u>

These statements are subject to final adjustment and audit.

SIGNED ON BEHALF OF THE BOARD:

 Director

 Director

EXPLORATION AND DEVELOPMENT COSTS (FROM INCEPTION TO JANUARY 31, 1969)

To September 30, 1966	\$ 76,464
October 1, 1966 to December 31, 1967	255,512
January 1, 1968 to January 31, 1969	<u>1,700,216</u>
	<u>\$2,002,192</u>

CHURCHILL COPPER CORPORATION LTD.

COST STATEMENT

FEBRUARY 28, 1970.

Schedule 'B'

		<u>Month of</u> <u>February 1970</u>	<u>Costs to Date</u> <u>February 28, 1970</u>
<u>FIXED ASSETS</u>			
4	Capital Acquisition - equipment	\$ 92,250	\$ 785,229
<u>UNDERGROUND MINING</u>			
8	Primary Development	\$ 7,865	\$ 435,850
12	Stope Development	24,436	138,265
16	Stope Preparation	72	13,936
20	Stoping	4,016	45,142
24	Exploration	5,516	118,372
		<u>\$ 41,905</u>	<u>\$ 751,565</u>
<u>ORE HAULAGE</u>			
28	Underground and Surface haulage	\$ 3,166	\$ 44,608
<u>SERVICE OVERHEADS - PREPRODUCTION</u>			
32	Mine	\$ 161,263	\$1,059,089
36	Plant Millsite	2,030	7,187
40	Administrative	303,458	1,351,820
		<u>\$ 466,751</u>	<u>\$2,418,096</u>
<u>CONSTRUCTION</u>			
48	Conveyors	\$ 106,446	\$ 188,528
52	Mill	116,712	1,910,734
56	Electrical and Communications	80,912	864,194
60	Water distribution & Fire Protection	(19,828)	169,458
64	Tailings disposal	9,847	29,099
68	Service & Office buildings	(49,089)	180,793
72	Mine & Plant yard facilities	4,114	12,466
76	Change House and General office	215	114,453
80	Road Network	(99)	494,771
84	Campsites	23,367	183,554
88	Coarse and Fine Ore Storage facilities	(13,422)	98,352
92	Concentrate Storage Facilities	26,739	85,618
		<u>\$ 285,914</u>	<u>\$4,332,020</u>
<u>CONSTRUCTION OVERHEADS</u>			
96	Design Costs	\$ 24,307	\$ 671,202
98	General Expense (Klassen only)	113,654	315,865
		<u>\$ 137,961</u>	<u>\$ 987,067</u>
	TOTAL:	<u><u>\$1,027,947</u></u>	<u><u>\$9,318,785</u></u>

12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	This item not applicable.			
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	Two million, nine hundred and forty thousand (2,940,000) shares are held in escrow pursuant to an agreement dated August 26, 1969, made between the holders of these shares, the Canada Permanent Trust Company as escrow agent and Burns Bros. & Denton Limited. Under this agreement, these shares may be released according to the schedule set forth in the agreement, subject only to the consents of the British Columbia, Ontario, Alberta and Quebec Securities Commissions, the Vancouver, Toronto and Montreal Stock Exchanges, and Burns Bros. & Denton Limited.			
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)				No. of Escrow Shares
	B. O. BRYNELSEN	1962 Knox Road Vancouver, B.C.	280,000	
	MERVIN E. DAVIS	597 Hadden Drive West Vancouver, B.C.	280,000	
	M. M. MENZIES	5585 McMaster Road Vancouver, B.C.	280,000	
	J. AUSTIN	2664 Edgar Crescent Vancouver, B.C.	280,000	
	A. E. TURTON	450 Southborough West Vancouver, B.C.	280,000	
	GORDON FORD	c/o Lawrence L. Beason 3600 First National Bank Bldg. Dallas, Texas, U.S.A.	280,000	
	VERNON TAYLOR, JR.	1670 Denver Club Building Denver, Colorado, U.S.A.	280,000	
	HONOR INVESTMENTS LTD.	#901 - 900 West Hastings St. Vancouver, B.C.	315,000	
	COMBINED CAPITAL RESOURCES LIMITED	7th Floor, 1177 West Hastings St. Vancouver, B.C.	175,000	
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.				No. of shares Subject to Escrow Agreement See Item 14
	A. D. RUSSELL Liquidator, Magnum Consolidated Mining Co. Ltd. (N.P.L.) (in voluntary liquidation)	c/o Price Waterhouse & Co. 15th Floor, 1075 W. Georgia St. Vancouver, B.C.	979,605	
	J. AUSTIN	2664 Edgar Crescent Vancouver, B.C.	417,235	280,000
	B. O. BRYNELSEN	1962 Knox Road Vancouver, B.C.	368,055	280,000
	HONOR INVESTMENTS LTD.	#901 - 900 West Hastings St. Vancouver, B.C.	315,000	315,000
	A. E. TURTON	450 Southborough West Vancouver, B.C.	312,160	280,000
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	The shareholdings of Magnum Consolidated Mining Co. Ltd. (N.P.L.) (in voluntary liquidation) and the collective shareholdings of the Directors of the Company are large enough to materially affect control of the Company. After giving effect to the transaction described in items 1, 6 and 7 of the Schedule hereto, Area Mines Limited and Highland-Bell Limited will have the right to nominate a majority of the Directors of the Company.			
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	See Schedule "B" ON PAGES 5 TO 7 INCL.			

18. Brief statement of any lawsuits pending or in process against company or its properties.	<p>On the 16th of December, 1969, a writ of summons against the Company was issued out of the Supreme Court of British Columbia by or on behalf of Gulf Titanium Limited claiming:</p> <p>(a) Damages for breach of the contract dated November 1st, 1968, for failure to carry out a program prior to November 1st, 1969, to assess the technological and economic feasibility of various processes for the commercial exploitation of ore derived from Gulf Titanium mining properties situate in Puyjalon Township, Duplissis County, Quebec; and</p> <p>(b) Damages for breach of the covenant to keep the said properties in good standing for a period of 6 months following termination of the Agreement.</p> <p>An Appearance has been entered on behalf of the Company and a demand for a Statement of Claim has been made. Until the Statement of Claim is received, Brameda is unable to assess validity of the claims and is not at this time aware of the full particulars of the claims.</p>
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	SEE SCHEDULE "C" on pages 6 and 7.
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts. No shares of the Company are in the course of primary distribution to the public.

CERTIFICATE OF THE COMPANY

DATED April 13, 1970

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"J. AUSTIN"

CORPORATE
SEAL

"J.P. CROLL"

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

